

The NATIONAL UNDERWRITER

Life Insurance Edition

How To Take a Pension Case in Stride

PENSION cases sometimes have a way of looking formidable—even when the prospect gives the agent a green-light vote of confidence and says “Here’s roughly what we’d like to do; *you* make the recommendation.” That’s what happened to agent D. O. a while back, but far from having a lump-in-throat and a knocking of the knees, he felt certain he’d come up with a winning formula, thanks to superb Home Office—field cooperation in pension planning. Here’s how the case shaped up:

The client agreed to invest X number of dollars in a pension plan. Because he already had a group life plan on his employees, he didn’t want to emphasize the life insurance factor to the extent of the usual \$1,000 coverage for each \$10 per month pension. That posed no special problem, since NWNL now guarantees settlement option rates up to \$30 of monthly pension per \$1,000 death benefit.

Far tougher to solve—except for the ever-ready help of NWNL’s Pension & Tax department—were a lot of tailor-made features required to make certain the client would have a plan that he could live with for many years. One by one these were spelled out and the proposal transmitted to the agent. Back came word that careful handling had paid off. The proposal was accepted. Then the agent was promptly furnished with all materials necessary to enable the client’s attorney to put the plan into operation.

Result: Agent D. O. completed a satisfying pension sale and received top commissions which this year and for many years ahead will be a welcome “bonus” on top of his normal earnings. It’s happening every day, not only to NWNL agents but to brokers, too. Next time you as a broker get a line on a pension case that requires a technical assist, call the nearest NWNL agency or contact our Pension & Tax department directly.

NORTHWESTERN NATIONAL LIFE
OF MINNEAPOLIS

40 years' experience in brokerage service

Sixth in a series

FRIDAY, MARCH 15, 1957



***“My prospects like
what Paul Revere
offers . . . which makes
it easy for me
to sell!”***

—says Tracy Prater who paid for 293 cases (214 A&S—79 Life) in 1956

Tracy Prater is a topnotch Tucson salesman . . . as evidenced by his record. For, in addition to his productive 1956, he paid for more than 300 cases (A&S—Life) in both 1954 and 1955.

“But permanent success is more than just being a good salesman,” Tracy will tell you.

“It’s the marriage of sales know-how and the right quality product . . . backed up by a claim record only associated with a policyholder’s company. For, in the final analysis, what is best for the policyholder is best for me. And that is what counts!

“Outstanding policies . . . a good awards program—company training schools, sales conferences, persistency bonus . . . and a real feeling of teamwork between the Field and the Home Office reflecting the kind of relationship made possible by a company of its size . . . these are some of the things which make Paul Revere my kind of company.”

Thanks to Tracy Prater—and career underwriters like him—1956 was another year of substantial Paul Revere growth. Moreover this was a growth which reflects expanding opportunities for everyone in the Paul Revere family. And it’s the reason why many career underwriters are attracted to Paul Revere as a company interested in their personal progress.



***The* PAUL REVERE Life Insurance Company**

WORCESTER • MASSACHUSETTS
Canadian Head Office • Hamilton, Ontario

NON-CANCELLABLE ACCIDENT and SICKNESS • HOSPITALIZATION • LIFE • GROUP

THE NATIONAL UNDERWRITER, Life Insurance Edition. Published weekly by the National Underwriter Company, Office of Publication, 175 W. Jackson Blvd., Chicago, Ill., U. S. A. 61st year, No. 11, Friday, March 15, 1957. \$7.50 per year (3 years \$20); Canada \$8.50 per year (3 years, \$23); Foreign, \$9 per year (3 years, \$24.50). 30 cents per copy. Entered as second-class matter June 9, 1900, at the post office at Chicago, Ill., under the Act of March 3, 1879.

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The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

61st Year, No. 11
March 15, 1957

N. Y. State Agents Fight Less-Stringent Group Limit Bill

**Back 20/40 Model; Fear
Mitchell-McMullen Plan
May Invite Federal Control**

ALBANY—New York State Assn. of Life Underwriters has come out strongly against the Mitchell-McMullen bill for limiting the per-life amount of group term insurance and is backing the Cooke-Travia bill, which follows the National Assn. of Insurance Commissioners 20/40 model.

In a memorandum to members of the legislature, the association says the Mitchell-McMullen bill, while providing for a limit of two times annual salary without a ceiling, "it then makes an exception for all group pension cases where this limit may be exceeded, and further provides that the superintendent of insurance may set aside the limit in any group policy where sufficient data is offered requesting it."

The memorandum also says that "many believe the adoption of the Mitchell-McMullen bill will be a major step in inviting the federal government into New York state to regulate the life insurance business. The same would apply if no action is taken by the New York legislature on this problem this year . . . If the key state of New York fails to join in a reasonable uniform limit, equity between small and large businesses will encourage congress to intervene in the issue . . . Further delay will only see installed more plans before the lid is put on and then the law cannot be made retroactive."

1958 NAIC Meeting to Be at Chicago

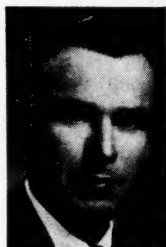
National Assn. of Insurance Commissioners has accepted an invitation of the Illinois department to hold its 1958 meeting in Illinois. The meeting will be in the Conrad Hilton hotel, Chicago, June 9-13. It will be the first time the association has met in Illinois since 1952.

N. Y. City Assn. Sounds out Members on Bank-Loan

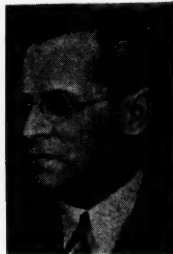
NEW YORK—The New York City Life Underwriters Assn., which has dissented from the expressed view of the national association that bank-loan life insurance should be opposed, has written its members asking them for their viewpoint on this controversial question. Accompanying the request was a statement by Harry K. Gutmann, Mutual of New York, national committeeman of the city association and chairman of its committee appointed to study the bank-loan problem, giving the background of NALU and New York City association actions on the bank-loan question. The New York City association has taken the position that there are situations in which the bank-loan plan is entirely appropriate and hence it should not be categorically rejected.

Western & Southern Elects Williams, Safford to New Posts

CINCINNATI—William C. Safford, executive vice-president since 1950, was elected president of Western &



C. M. Williams



W. C. Safford

Southern Life this week, and Charles M. Williams, who has been president, became chairman. Directors also approved an addition to the home office building at an estimated cost of \$2.5 million.

Insurance superintendent of Ohio in 1928, Mr. Safford joined the Western & Southern organization in 1932 as vice-president of Western & Southern Fire and Western & Southern Indemnity. When these companies withdrew from business, he entered into the management of the life company as vice-president and has played an ever-increasing role in its operations. A native of Columbus, Mr. Safford attended Aquinas college there and after military service in the first war, entered the Ohio insurance department as an examiner, rising to deputy superintendent before his appointment to the top post by Gov. Donahey. At that time, he was the youngest commissioner in the country.

Mr. Williams succeeded his father, the late Charles F. Williams, as president in 1950, having been executive vice-president since 1939. Western & Southern has shown tremendous growth during his administration, ab-

(CONTINUED ON PAGE 28)

Brooks Tells How He Made \$2 Million in ICT Transactions

AUSTIN—Transactions that yielded a "profit of about \$2 million" for Pierce P. Brooks, chairman of National Bankers Life of Dallas, were outlined by Mr. Brooks in recounting deals with former officers of the now defunct ICT of Dallas at a hearing in Austin before a special house investigating committee.

The deals involved the sale and repurchase of National Bankers' stock, acquisition of various securities, and the sale of the ICT office building in negotiations with BenJack Cage, head of the management firm of Jack Cage & Co., which operated ICT.

Testimony about the transactions also was given by James G. Cage, ICT president for the last year, who in addition asserted that J. Byron Saunders, former chairman of board of insurance commissioners, was "fully aware" of the company's plight as a result of numerous conversations throughout the year. One bit of information that Mr. Cage said he passed on was that Mr. Brooks held a \$400,000 lien on the company's stock.

Mr. Brooks, in his testimony, said that he had sold 9,918 shares of National Bankers Life stock to Jack Cage & Co. in three lots, getting about \$1,000 a share in two of the transactions and \$500 a share in the third in order to level out the sales at about \$600 per share.

Members of the house committee showed interest in purchase of the ICT building by National Bankers Life for \$2.7 million and a sale of 1,480 shares of the life company's stock for \$1.4 million at about the same time. Mr. Brooks said that these two deals with the Cage firm were not interlocking. In another deal, it was disclosed, National Bankers Life bought various stocks and notes from ICT amounting to \$1,564,515. Mr. Brooks

(CONTINUED ON PAGE 28)

Mutual Benefit Giving Priority to Pricing Problem

**Solution to Be Fair to All
Policyholders, President**

Palmer Tells Agency Heads

By ROBERT B. MITCHELL

Mutual Benefit Life has a "priority program" the finding of an answer to



H. Bruce Palmer

the policy pricing problem that will be consistent with the "traditional philosophy of equity to all classes of policyholders and mutuality in principle as well as in name," President H. Bruce Palmer announced at the annual meeting of Mutual Benefit

general agents held at the Boca Raton Club, Boca Raton, Fla.

Mr. Palmer did not indicate what the solution might turn out to be, but the issuance of "special" policies would be a good thing to bet against, judging from Mr. Palmer's past utterances and the prevailing sentiment among the general agents. That he hasn't receded from his stand may be gathered from this statement to the general agents:

"There is, of course, always present a temptation to lessen quality to gain in cost competition. Courage is needed to increase quality when price competition becomes acute. We have had that courage and with it no lessening of pride in what we have and will continue to stand for as right and best for the policyholder, the agent, our industry, and our company."

Besides hearing Mr. Palmer's talk, the general agents:

- Greeted with enthusiasm the revised and strikingly redesigned policy contract.
- Hailed numerous award winners, led by Laurance W. McDougall of Cleveland, who won the president's trophy for having the best all-round agency for 1956.

- Heard home office officials talk on additional evidence proving the riskiness of hiring men under pressure of current debts; on the dangers of inflation; on the surprising increase in aviation death claims; the life insurance legislative outlook at Washington; on the substantial savings from the company's cost control program; on an effective method of selective group merchandising, and on a new district agency development program to exploit the market possibilities near general agency cities.

- Listened to panel discussions on establishing career agents and on agency department activities, and took part in three concurrent round tables on recruiting and selection.

- Heard a talk by President Holgar J.

(CONTINUED ON PAGE 28)

Late News Bulletins . . .

LITTLE ROCK—A bill modeled on the Robinson law of Texas, requiring insurers to invest in Arkansas 75% of their reserves on Arkansas business has been withdrawn by its sponsor, Sen. Melton, after it had passed the senate. He said Gov. Faubus has asked him to withdraw it for fear it would cause insurers to take their investments away from Arkansas.

The bill was originated by the state industrial development commission in the hope it would cause out-of-state insurers to buy more bonds in the state and so aid the industrialization of Arkansas.

Suggests Extending FTC Powers

WASHINGTON—Apparently sensing that the courts may have a different idea of Federal Trade Commission jurisdiction over A&S advertising than the FTC itself, Rep. Wolverton of New Jersey has suggested that Congress consider legislation to give it that authority. The suggestion was made as Rep. Wolverton's interstate commerce committee held its annual review of FTC operations and administration.

Chairman Gwynn of FTC stated that in his opinion the McCarran act does limit FTC's jurisdiction in the A&S insurance field, and that if Congress wants FTC to function in this area it will have to change the McCarran act.

Mass. Mutual to Offer Preauthorized Check Premium Payment Plan

Massachusetts Mutual has introduced the "triple M plan" for monthly payment by preauthorized checks of premiums under old and new policies, except pension trusts, personal security and government allotment plans.

If a policyholder wishes to participate in the plan, he must have a regular checking account in a bank willing to cooperate with the plan, authorize the company to issue monthly checks in the amount of his premiums against his checking account, authorize the bank to honor the checks and absolve the bank from liability. Massachusetts Mutual provides the bank with a broad indemnity.

The plan permits the premiums under company policies of insured and his family to be combined for collection through a single monthly check, providing the check totals at least \$10. The policyholder is given a checkbook stub reminder to help him remember to deduct the amount of the check from his bank account each month. The plan's streamlined accounting procedures make possible a monthly rate equivalent to one-sixth of the regular semi-annual rate.

The plan is expected to produce more and larger individual sales and improve persistency. A full year's commission is payable to agents at the time of the first premium payment in each policy year. Company savings will result from having "triple M" checks prepared in and entered for collection from the home office each month and from the elimination of premium notices to policyholders and status reports from the agencies to the home office.

IBM Names Trullinger Special Industry Manager in Midwest

International Business Machines Corp. has appointed Robert E. Trullinger manager of special industry departments for the midwestern region. He will supervise activities of special representatives in life insurance and other industries. He has been manager of the Evanston, Ill., sales office.

J. J. Melick, manager in Moline, has been named controller for the region with responsibility for financial operations.

Sharp Recession Possible in 1957, Chicago Life & Trust Council Told

John K. Langum, Chicago economic consultant told the February meeting of Chicago Life Insurance & Trust Council that an economic recession of rather sharp proportions is very possible during 1957, and if it comes, he said, it probably will extend over into 1958. Mr. Langum, who is a former vice-president of the Federal Reserve Bank of Chicago, said that a 1957 recession, probably to be longer in duration than the recessions of 1949 and 1954, will be something stronger than what could be called a "rolling readjustment." However, Mr. Langum emphasized that there is no "black disaster" on the economic horizon nor is there any likelihood that the country will face a major depression similar to the 1929-1933 era. Nor is it likely, Mr. Langum said, that the country will experience an economic dip as great as the "little" depression of 1937.

Mr. Langum said that the economy of this country is "fabulous" and will continue to be so, but warned that too much emphasis is put on growth alone as an avenue to prosperity and probably not enough emphasis on business cycles, which he said have been modified but are not yet dead.

Mr. Langum said growth has been phenomenal in this country since the country's very beginning and shows every signs of continuing, but cautioned that growth is a tricky gauge to prosperity. He said growth follows an uneven pattern and varies from state to state and region to region and even among age groups. Mr. Langum indicated that growth, in the long haul bolsters prosperity but does not rule out occasional recession or depression.

Mr. Langum said the business cycle is now on the down turn. He said industry is pretty much in a period of liquidation of inventories instead of accumulation of inventories. He said department store sales have fallen off slightly already this year and that new residential building has taken a sharp drop. He said the current tight money situation probably is not entirely responsible for the lessening in consumer activity. He said even if money becomes easier, it may become evident that the demand for

credit money is not as big. Mr. Langum said that after all the consumer is still the kingpin and he (the consumer) may realize now that he is in debt enough.

Mr. Langum does not regard the threat of inflation as too terrible a peril to the economy. He said he expects that prices will continue upward slightly in the future but argued that this country is not now on a one-way binge of inflation. He said inflation hasn't been bad except for during World War II and during the Korean conflict. He said he doesn't expect inflation will be too bad in the future unless another global conflict is started, and then he said the problem of survival will be much greater than one of inflation. As for inflation, Mr. Langum pointed out that dollars in circulation in relation to the gross national product are at a record low—51 cents for each \$1 of gross national product. This situation, he said, certainly doesn't have the underpinnings of inflation.

Ind. Life Assn. Lists Action Agents Want

The three things the average life insurance agent in Indiana would like to see are more stringent laws on the formation of new companies, tighter agents' licensing laws, and an adequate budget for the state insurance department.

These three points were brought out in reports of the state association's four regional vice presidents at an executive committee meeting in Indianapolis. The vice-presidents recently completed visiting all locals in the state.

Primary purpose of the visits of the vice presidents was to push a three-point state program involving promotion at local level of the caravan sales congress, April 4-6; statewide life insurance week, the week of Mar. 31; and membership.

Membership goal for the state, announced by E. E. Verdon, Life of Virginia, Evansville, is a 10% increase over 1956. A local-by-local report from the vice-presidents indicated the goal is within reach.

B. J. Saunders Named to Republic National Board

The board of Republic National Life has named J. Byron Saunders, vice-president and general counsel, a director and has approved a dividend of 20 cents a share to stockholders of record on March 20. All officers of the company were also re-elected at the board meeting.

Security Mutual Holds General Agents' Parley

Security Mutual Life of Binghamton held a 2-day meeting for 46 of its multiple line general agents. This meeting of field and home office management will be an annual function.

A meeting will be held at Bal Harbor, Fla., next October in addition to the regular company sales convention held at some place other than the home office.

President Richard E. Pille told how short and long range objectives and how teamwork could accomplish the objectives which he outlined. He reported on policies, product improvement programs and territorial expansion plans which will accomplish these objectives.

A new small group program for firms with 10-24 employees and guaranteed renewable hospital coverage were introduced.

Name Lawton Head Security-Conn. Life

G. Albert Lawton, a former agent, general agent at New Haven and director of agencies of Aetna Life, has been elected president of Security-Conn. Life, Security Ins. Co. and Connecticut Indemnity. He succeeds Norton Simon, Los Angeles financier, who served temporarily as president for two months after the retirement of Peter J. Berry.

Robert E. Aker was promoted from superintendent of agencies to vice-president of Security-Conn. Life to be in charge of life operations. Lester C. Layman, executive vice-president of security and of Connecticut Indemnity, was named a vice-president of Security-Conn. Life to help implement the multiple line operations. Edgar J. Doolittle Jr., executive vice-president of Security, has resigned to join Mr. Simon's staff in Los Angeles but will remain a director.

W. Va. Agents Study Value of Reading Trade Papers

Wheeling (W. Va.) Life Underwriters Assn. recently completed a successful life insurance magazine clinic which drew an attendance of 52 members to explore the value and necessity of reading insurance trade magazines. The event also proved to be a good publicity getter for the Wheeling association. The Wheeling News-Register ran a three-column picture of the magazine display set up for the clinic. The NATIONAL UNDERWRITER contributed to the display.

F. C. Zeh, Bankers Life of Iowa, is vice-president and program chairman of the Wheeling association. Other officers are William A. Abraham, president, and James L. Christopher, secretary-treasurer.

Managers Must Set Good Example in Association Work

John N. Mathis, managing director of Texas Assn. of Life Underwriters, told Austin Life Managers Club that the managers must lead the way in bringing agents into association work. He said, "If the managers show no interest in association activity you can't expect the agents to do so." Mr. Mathis is charged the managers to go out and work toward doubling the size of the Texas association which now has 4,000 members. He said it takes a large, financially-backed organization to command the respect of legislators.

Michigan Life Expands Board

Michigan Life at its annual meeting at Royal Oak elected five new directors, four of them whom hold directorships in Nationwide companies. These four are George H. Dunlap, chairman of Nationwide Corp.; Perry L. Green, chairman of Nationwide Life; K. Myron Hickey, Nationwide Corp. director, and Harry Metzler, director of Nationwide Ins. Cos. The fifth new director elected is John F. Langa, a Detroit lawyer. Nationwide Corp. recently bought majority stock interest in Michigan Life.

Secretaries to Meet June 3-4

Executive secretaries of state and local associations of life underwriters will hold their 1957 meeting June 3 and 4 at Washington, D. C. Another conference may be held in the far or midwest later in the year.



G. Albert Lawton

Top \$6 1956

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Mutual Ben

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Mut. Can. U

Mutual Tru

National, V

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Northeastern

Northwestern

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Patriot

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Phoenix M

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Security M

State Mutu

Teachers

Travelers

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Union Mut

United Mut

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Victory Mu

Zurich

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Top \$6½ Billion 1956 Sales in N.Y.

All figures are ordinary unless designated G for group or I for industrial. New business figures include revivals and increases as well as new business paid-for.

	New Business	In Force
Amalgamated (G)	227,228,354	1,331,523,000
American Life (G)	13,229,000	163,031,000
Bankers, Ia. (G)	5,966,541	64,952,297
Bankers Security (G)	19,696,022	177,724,930
Berkshire (G)	9,355,232	18,716,219
Canada Us. Br. (G)	106,309,596	74,626,076
Church Colonial (G)	20,499,808	13,916,076
Columbian Mutual (G)	26,652,722	86,713,142
Columbian National (G)	2,053,500	3,571,000
Companion (G)	413,374	6,667,635
Confed. US. Br. (G)	12,671,029	69,240,196
Conn. General (G)	935,500	1,261,500
Conn. Mutual (G)	2,634,778	27,277,992
Continental Amer. (G)	4,640,948	16,920,115
Continental Assur. (G)	73,000	238,000
Credit (G)	12,111,891	61,696,458
Eastern (G)	19,481,686	113,012,735
Empire State (G)	7,349,840	29,253,622
Equitable Society (G)	10,220,712	39,851,139
Equitable, Ia. (G)	24,044,448	100,650,900
Expressmen's (G)	378,822	5,655,598
Farm Family (G)	1,319,007	1,470,568
Farm & Traders (G)	77,777,911	519,099,675
Fed. L. & C. (G)	75,887,805	799,292,604
Fidelity Mutual (G)	60,375,129	496,792,565
Guardian (G)	23,006,217	139,403,851
Home, N.Y. (G)	75,390,878	359,805,579
Imperial, US. Br. (G)	80,496,730	245,014,481
John Hancock (G)	1,526,784	1,264,182
Loyal Protective (G)	20,745,601	18,618,349
Lutheran Mutual (G)	11,071,337	64,106,857
Manhattan (G)	7,607,252	12,249,308
Mass. Mutual (G)	6,238,822	38,263,077
Metropolitan (G)	6,556,737	7,031,998
Monarch, Mass. (G)	223,322,006	2,187,659,533
Mt. Vernon Life (G)	283,210,243	2,163,164,785
Mutual Benefit Life (G)	6,645,791	63,100,173
Mutual of N.Y. (G)	471,680	8,295,598
Mut. Can. US. Br. (G)	12,002,292	31,564,948
National, Vt. (G)	4,373,455	59,733,123
Nationwide (G)	5,619,665	19,497,552
New England Mut. (G)	3,514,164	4,002,157
New York Life (G)	11,154,490	109,754,618
No. American Re. (G)	56,072,872	477,810
Northeastern (G)	5,535,250	10,650,070
Northwestern Mut. (G)	38,086,255	327,095,812
Old Rep. Credit (G)	20,323,152	82,159,946
Patriot (G)	153,694	3,495,996
Paul Revere (G)	357,269,160	2,185,057,540
Penn. Mutual (G)	110,103,713	608,564,672
Phoenix Mutual (G)	63,700,841	616,684,872
Postal (G)	460,628	1,557,511
Prov. Life & Cas. (G)	1,695,545	9,069,650
Provident Mut. (G)	32,457,377	220,269,599
Prudential (G)	36,972,017	110,931,929
Security Mut., N.Y. (G)	97,583,747	701,770,093
State Mutual (G)	20,761,590	202,199,176
Teachers (G)	852,227,110	6,445,615,414
Travelers (G)	677,700,096	4,489,699,837
Union Central (G)	20,785,615	1,369,105,398
Union Labor (G)	12,492,975	52,843,140
Union Mutual (G)	234,000	2,176,348
United Mutual (G)	20,452,472	43,321,458
US Life (G)	65,682,199	182,093,670
Victory Mutual (G)	67,490,556	660,987,754
Zurich (G)	67,236,721	762,226,441

	New Business	In Force
Total Ord., '56	4,347,690,081	36,307,001,045
Total Group, '56	3,167,927,416	17,831,899,133
Total Indus., '56	168,864,970	3,348,674,374
All Classes, '56	7,684,482,567	57,487,544,552
Total Ord., '55	3,640,821,000	23,654,355,000
Total Group, '55	2,730,700,000	15,207,416,000
Total Indus., '55	184,314,000	3,413,892,000
All Classes, '55	6,555,835,000	47,275,363,000

Four Cincinnati Insurers Exhibit at Health Fair

Four life companies with headquarters at Cincinnati cooperated recently in sponsoring a display for the Cincinnati Health Fair. Companies participating were Inter-Ocean, Ohio National Life, Union Central Life, and Western & Southern Life. The fair was sponsored by the Academy of Medicine in celebration of its centennial. Approximately 300,000 persons visited Music Hall in Cincinnati during the week-long fair.

The display of the insurance companies was divided into three parts for presentation. One part showed how premium dollars are put to work in order to contribute to the general health and welfare of the nation. Another part showed the "Ceaseless Heart," depicting a beating heart with

SHOW 1956 INSURANCE RESULTS

	1956 New Life	1955 New Life	1956 Life Ins. Increase in In Force	1955 Life Ins. Increase in In Force
Ins. Bus.	\$	\$	\$	\$
Connecticut Mutual Life	430,110,522	405,323,379	274,255,095	257,871,282
Country Life	80,990,471	81,856,162	42,020,313	48,610,055
General American Life	313,876,597	247,682,171	219,522,133	233,293,064
Manufacturers Life	396,338,723 ^a	306,118,800	250,340,375 ^a	203,420,303
Mutual Life of New York	655,661,364	569,446,894	383,987,983	317,755,829
National Life & Accident	965,093,465	930,985,323	347,171,294	339,832,596
North American Re.	213,001,477 ^b	163,672,750 ^b	92,470,434 ^b	64,885,864 ^b
Shenandoah Life	36,229,236	24,626,439	23,969,091 ^c	6,835,075 ^c
United Ins. Co. of America	244,789,788	239,484,445	37,021,201	47,709,539
U. S. Life	164,631,986	166,627,797	166,750,833	131,513,224

New business figures include the following amounts of revivals and increases for 1956 and 1955 respectively: \$31,618,728, \$20,575,620; \$6,190, \$3,223,000.

^a Includes the amount of temporary addition to sums insured not included in previous years.

^b Reinsurance only.

^c Includes Federal Employees Group Insurance.

simulated lighting to portray the average human heart beat. A third part, a 12 minute movie, "A Matter of Time," was shown continuously and told the story of Life Insurance Medical Research Fund's current project—heart disease.

K. A. Albrecht, district manager at Milwaukee for Social Security Administration on "New Disability Income Feature of the Social Security Law" at the March meeting of Milwaukee A & H Underwriters Assn.

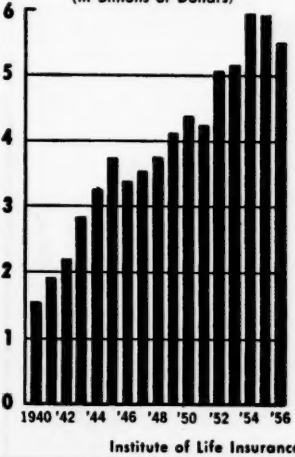
Companies Supply \$5.5 Billion in New Capital

Capital totaling \$5,552,000,000, largely made up of new funds, was made available last year through accumulations of life insurance policyholder funds. At the start of this year total assets of life companies had risen to \$95,819,000,000, invested in a repre-

NEW CAPITAL FUNDS FROM LIFE INSURANCE, 1940-56

Annual Increase in Assets
for all U. S. Life Companies

(in Billions of Dollars)



sentative cross-section of the national economy, according to Institute of Life Insurance.

Reinvestment funds from maturities, amortization and refundings brought the total life company acquisitions of mortgages and securities in 1956 to \$17,136,000,000, down \$800 million.

Largest block of new investments acquired last year was a record \$6,686,000,000 in mortgages. These brought aggregate mortgage holdings to \$33,017,000,000 or 34% of total assets. New mortgages were up \$67 million from the previous year; holdings were up \$3,592,000,000.

Corporate securities accounted for \$5,574,000,000 of the 1956 new investments, up \$492 million. At the start of this year, the companies held \$40,959,000,000 of these securities, up \$2,108,000,000, and 45% of total assets.

Bill Would Tighten Fla. Insurer Requirements

Among revisions proposed in the Florida insurance laws by Commissioner Larson is one to require out-of-state insurers to have operated satisfactorily for three years in their home state before becoming eligible for admittance to Florida.

This bill also would require out-of-state insurers to have at least \$400,000 in assets instead of the present requirement of \$250,000 before they could be admitted in Florida. This amendment applies to all types of insurers. Mr. Larson has been holding hearings on this measure and others throughout the state.

CENTRAL LIFE

A leader and ... One of the Best

WITH **1st**
Reducing
Premium!

Central Life agents will soon enter their third exciting year of selling the Preferred Combination Life policy. This "quantity-discount" contract multiplies permanent business volume ... and does so without commission penalties.

Still another example of progressive, sales-minded leadership is Central Life's Annual Premium Instalment Plan—A PIP of a sales clincher.

Progressive and competitive, yes ... but not at the expense of financial security. Central Life continues to maintain a surplus-to-reserves ratio that is one of the industry's best!

ASSETS	\$150 Million
SURPLUS	\$ 13 Million
INSURANCE IN FORCE	\$470 Million

Central Life

ASSURANCE COMPANY Des Moines 6, Iowa

More Companies Report 1956 Business Figures

NORTH AMERICAN, CHICAGO

North American Life of Chicago in 1956 had sales of \$61,238,346, exceeding by 16% the previous all-time high reached in 1955 and establishing for the company the eighth consecutive "best year" in sales. The average size policy in 1956 was \$5,914, also a new all-time high. Life insurance in force reached \$259,086,360, an increase of \$35,921,163, the largest yearly gain in the company's history.

The mortality rate was 37.9%, the 16th consecutive year that the company's loss ratio has been 40% or less of the so-called expected. Total income of \$8,740,823 in 1956 was the largest ever, an increase of \$623,311 over 1955. Assets at the end of 1956 totaled \$42,040,370, an increase of \$2,480,010 for the year. The ratio of assets to liability is 108.95%. Payments to policyholders

and beneficiaries in 1956 totaled \$2,987,725, 65½% of which went to living policyholders. Benefit payments since organization of the company totaled \$49,158,478.

Net earnings for 1956 were \$456,582. The capital and surplus account increased to \$3,463,111, an increase of \$331,582 over the previous year.

A dividend of 10%, or 20 cents per share, was declared, payable semi-annually on Feb. 25 to holders of record Feb. 14 and Aug. 26 to holders of record Aug. 15. This dividend represents an increase of 50% over 1954 and 25% over 1955.

REPUBLIC NATIONAL LIFE

Republic National Life is now the third largest company in Texas in amount of life insurance in force as a result of \$423,771,609 of life issued

and paid for during the year. This represented an increase of 27.03% over the previous year's total of \$333,596,539. The gain in life in force was \$251,902,238, thus enabling the company to pass the billion mark in June and bringing the total as of Jan. 1 to \$1,168,192,772.

Despite substantial disbursement of funds in carrying forward its 1956 program of expansion and development, the company experienced a total gain, from its over-all operations of \$1,842,938. It paid out \$963,418 in policyowner dividends and participating refunds, \$93,454 cash dividends to stockholders, and added \$786,066 to its capital and surplus funds, thereby increasing its surplus protection to policyowners over and above required reserves to an amount of \$4,671,878. In addition to a record amount of life, the company's A&S premium income reached \$5,917,180. The company is now serving more than 600,000 policyowners in 31 states and Hawaii. Benefit payments to living policyowners and beneficiaries in 1956 amounted to \$11,929,323, and since organization the total is \$68,426,361.

LIBERTY LIFE

Liberty Life's resources reached a total of \$92,284,068 a year-end, up \$8,111,659. Capital and surplus funds totaled \$10,563,445, a gain of \$1,323,284. In force figures rose to a new high of \$817,650,272, up \$70,066,876. Benefit payments amounted to \$5,921,386.

The directors adopted a resolution for a 50% stock dividend, increasing capital stock from \$2 million to \$3 million, divided into 300,000 shares valued at \$10 each. Stockholders will act on this resolution April 5.

UNITED L. & A.

United L. & A. life sales in 1956 reached a new high of \$41,528,917, up \$3,366,744. Assets were \$36,366,757, an increase of \$2,230,103. In force rose to \$226,410,239, a gain of \$25,529,260.

NATIONAL A. & H.

National A. & H. of Philadelphia showed underwriting and investment gains in 1956, with total premiums of \$2,693,146, of which \$264,132 were life premiums. Life in force amounted to \$6,723,616, up \$1,137,828.

Assets increased to \$2,587,518, up \$85,758 and surplus to policyholders rose to \$2,011,694, up \$55,299, after payment of \$50,000 in dividends, up \$4,800, and provision of \$75,100 for 1956 federal income tax.

Gross receipts from all sources, less returns and allowances, amounted to \$2,736,147.

CAL-WESTERN STATES

California-Western States Life has reported to stockholders a 10.1% increase in life in force with a record high of \$167,300,000 in life sales during 1956, bringing the total insurance in force to \$1,462,000,000.

The company paid out \$26,200,000 to policyholders and beneficiaries representing a 13% increase over the previous year. In the group field, Cal-Western's A & S and life coverages showed an 8.2% rise in terms of premiums in force. Group premiums from commercial, industrial and labor groups totaled \$24,300,000. The company continued to make a substantial investment in the development of the west with mortgage loans on residential, business and farm properties during 1956 increasing by \$5 million to a new high of \$92,100,000.

Assets increased by \$11,300,000 to \$183,700,000.

Agency Conference Readied by LIAMA

The program has been completed for the agency management conference of LIAMA at the Edgewater Beach hotel, Chicago, March 18-20.

On Monday afternoon the workshop on small groups and pensions in the small company will have G. N. Dickinson Jr., pension division of Provident L. & A., as moderator; the one on precontract training and postselection in the small company Hollis L. Manly Jr. of Amicable, and that on the why of assistant managers and assistant general agents in the small company D. T. Loucks, supervisor of agencies of Excelsior Life.

At the Monday evening fellowship dinner J. Harry Wood, editor of the *Journal of American Society of CLU*, will speak.

The Tuesday morning session will feature "How We Can Grow" by Norman T. Carson, agency vice-president of Security Mutual of New York; building through full time organization by Wayne L. Lewis, general agent of Ohio State Life; building through part time agents by G. William Sayers, general agent of Columbus Mutual; building through general insurance men and brokers by John Weaver, executive vice-president of United States Life, and building through personal producing general agents by C. B. Barksdale, agency vice-president of Protective Life.

That afternoon the workshop on growing through full time organization will have as moderator J. D. Anderson, agency vice-president of Guarantee Mutual; the one on growing through part time agents, general insurance men and brokers, R. G. Blair, vice-president and agency manager of Security Life & Trust, and that on growing through personal producing general agents, H. Carlyle Freeman, vice-president of eastern agencies of Bankers National.

On Wednesday morning "Hot House Ideas" will be the subject of the talk by M. F. Browne, agency vice-president of Occidental of North Carolina, followed by greetings from LIAMA President William B. Stannard, vice-president in charge of agencies of Occidental Life of California, and "Standing on the Corner" is the subject of Benjamin N. Woodson, president of American General.

NALC to Convene at Indianapolis April 29-30

National Assn. of Life Companies will hold its annual convention at the Marott hotel in Indianapolis April 29-30. Discussions of the new mortality tables and the proposed uniform law to make them optional in the 48 states, Alaska and the District of Columbia, will be conducted. Reports on taxation, state legislation and the new state insurance codes will be given.

Reservations may be made by writing to John Wilkins, chairman of NALC entertainment committee, 12 North Delaware street, Indianapolis, Ind.

Indianapolis Life Reduces Annuity Premiums

Premiums for immediate life income and instalment refund annuities, as well as those for joint and survivorship annuities, have been reduced by the Indianapolis Life. For a male age 65, \$1,000 will now purchase \$6.61 monthly life income or \$5.65 monthly on the installment refund basis.

Fourscore years
and ten...



the 90th annual report

In celebration of our 90th Anniversary, this year's Annual Report, which is mailed to all policyholders, takes an entirely different form. In addition to recording operations for 1956, it incorporates a history of the Company's 90 years of growth, together with illustrations of authentic subjects of the period around 1867, the year the Company was founded.

The report indicates that in 1956, annual production reached an all-time high—a paid total of \$151,279,466. Insurance in force increased to \$1,491,775,346. Assets increased to \$583,132,401, and surplus funds, including capital stock, increased to \$28,209,393.



Equitable

LIFE INSURANCE COMPANY OF IOWA

FOUNDED IN 1867 IN DES MOINES



ROBERT O. GWYN

Over \$9,000 Last Year . . . No Sales Experience . . .

January 21, 1957
Indianapolis, Indiana

Mr. C. R. Willsey, Regional Manager
Franklin Life Insurance Company
Indianapolis, Indiana

Dear C. R.:

Although life insurance selling has for years appealed to me I feared it as an occupation because I felt I was not blessed with the personality or the background for a salesman.

Of course you know that two years ago I came with the Franklin Life from the field of schoolteaching. I had no sales experience and very little understanding of life insurance. An outsider might wonder why I would leave the security I had for a new field which I feared.

The answer is no mystery to anyone with the Franklin. First, the Franklin "Specials" are insured savings plans that have definite public appeal. I *knew* I could talk with people about them and I knew I could sell them! Second, I had confidence in you and Woody Norris as my supervisors, and in the entire Franklin organization for giving me every assistance in building my business.

Although I'm far from being a seasoned agent, with only two years experience, I have proof that I made the right decision. My first year with the Franklin I earned \$6,280. (My top pay as a schoolteacher was \$5,200.) Last year I earned \$9,091. This year I expect to earn at least \$1,000 per month, and the way things are going it may be much more!

Aside from the satisfaction of greater income for myself I have a deeper satisfaction of adding to the financial security of my clients and their families. What more could a man want?

I will always be grateful to you, C. R., for your help and encouragement to this average guy who has made the grade!

Sincerely yours,

Robert O. Gwyn

An agent cannot long travel at a faster gait than the company he represents!



The Friendly **FRANKLIN LIFE INSURANCE COMPANY**

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

The largest legal reserve stock life insurance company in the U.S. devoted exclusively to the underwriting of Ordinary and Annuity plans
Over Two Billion Three Hundred Eighty Million Dollars of Insurance in Force

Propose Merger of Coastal States Life, Columbus National

Directors of Coastal States Life and Columbus National Life of Atlanta have signed agreements to merge, continuing with the name of Coastal States. Stockholders will vote on the merger proposal at separate meetings March 26. If approved, the proposal will be submitted to Commissioner Cravey for final approval.

Coastal States has capital and surplus of \$1,202,957, assets of \$13,404,004,

insurance in force \$143,643,000, and 3,000 stockholders. Claude H. Poindexter is president.

Columbus National, with capital and surplus of \$644,694, assets of \$4,132,810, insurance in force \$68,097,320, has 2,500 stockholders. Ellis Arnall, former Georgia governor, is president.

Coastal States owns about 50% of the stock of Columbus National, but each company is autonomously and separately operated. Both companies enjoyed their most successful records in 1956, with 19% gain in assets for Coastal States and 33% for Columbus National.



Personal Production And Earnings Increased While Building An Agency

Mr. George Bernstein
Miracle Building
220 Miracle Mile
Coral Gables, Florida

Dear George:

Protective Life established a new agency in your town when you were appointed General Agent the latter part of 1955. You enjoyed immediate success with our Company. In addition to increasing your personal production, you also appointed two new agents, both of whom are enjoying life insurance success.

Your personal production has not decreased as a result of your supervisory duties. As a matter of fact it has steadily increased. During your first year with Protective Life you earned more than \$1,000 a month in first year commissions and overriding, and at your present rate of production your 1957 earnings will exceed last year's by a large percentage.

Protective Life is proud of your record. The Company is proud too of its own record of growth. During the year and a half you have been with Protective Life our insurance in force has increased by considerably more than \$100,000,000.

While we believe that our methods, our policy contracts and our sales material have been instrumental in making these records possible, we fully realize that the greater share of the credit is yours and the others like you who have served so well for so long.

George, there are any number of good companies with whom you could achieve life insurance success. You hold the key within yourself. Protective Life is grateful that you are giving it the chance to provide the opportunity.

Your sincere good friend,

William J. Rushton

William J. Rushton,
President



PROTECTIVE LIFE

William J. Rushton
President

Serving the South
Since 1907



Insurance Company

PROTECTIVE LIFE BUILDING
BIRMINGHAM, ALABAMA

ALC and LIA Oppose Eased Down Payments on FHA Mortgage Loans

Proposals to ease FHA down payment requirements and to consolidate the VA and FHA home loan programs were discussed by spokesmen for American Life Convention and Life Insurance Assn. of America before the housing subcommittee of the House banking and currency committee in Washington.

Ehney A. Camp Jr., vice-president and treasurer of Liberty National Life of Birmingham, and R. Manning Brown Jr., vice-president in charge of real estate and mortgage loans of New York Life, said liberalizing FHA down payments could aggravate the present mortgage credit problem, create an inflationary demand for housing and result in increased mortgage loan delinquencies and foreclosures. The proposal to consolidate certain FHA and VA lending functions merits consideration, they said.

They pointed out that there is a shortage of capital funds in this country to meet the enormous demand for financing housing, industrial plant and equipment, commercial development, and federal, state and local government expenditures. Liberalizing the FHA down payment would create excessive demand for housing and thus aggravate the capital shortage problem.

Experience indicates that delinquencies and foreclosures on low down payment loans are several times greater, even in prosperous times, than on loans with a substantial down payment, they pointed out.

They said life companies have \$33 billion of real estate mortgage loans outstanding, or about 34% of the companies' total assets. This is an increase of more than \$26 billion in the past 10 years. Of the \$33 billion total, an estimated \$24 billion are residential mortgage loans. In 1956 alone, the companies invested an additional \$1.8 billion in VA loans, bringing the total of their home loans to veterans to \$9.4 billion throughout the postwar years. Almost another \$1 billion of FHA loans were made by the life companies last year, bringing the total of FHA loans by the companies to \$10 billion since 1946.

As trustees of the savings of millions of policyholders, life companies must invest their funds at the highest possible rate of return without incurring undue risks. The higher the rate of return realized on investments, the greater the amount of insurance protection which the companies can provide without increasing the premium cost, they said.

"We believe that the fundamental solution to the problem of reduced availability of VA mortgage financing is to make the interest rate on VA mortgage loans sensitive and responsive to demand and supply forces in the capital market. . . . A rate of 5% on VA mortgages would largely restore their competitive position, so that we would expect an appreciable increase in life insurance company investments in VA mortgages at that rate," they said.

The ALC and LIA spokesmen also discussed the voluntary home mortgage credit program instituted by private lenders, including life companies, in cooperation with the government more than two years ago. They pointed out that although full effectiveness of the program has been

hindered by the administratively frozen rate of return to the lenders and by competition from direct government lending programs, VHMCP is constructive and could function with greater effectiveness only if the two obstacles are removed.

Hollis Woods Heads Mutual Benefit GAs

Hollis L. Woods, Hartford, was elected president of the Mutual Benefit Life general agents association at the recent general agents meeting in Boca Raton, Fla. Other officers are Thomas G. Murrell, Los Angeles, vice-president; Alex M. Knapp, Baltimore, secretary-treasurer; and Edward L. Rosenbaum, New York City; Alfred J. Lewallen, Miami, and M. James Hollihan, Saginaw, Mich., immediate past president, members of the executive committee.

Conn. General to Hold Panels on Road Program

A symposium on the new federal highway program and the challenge it offers to improve metropolitan areas through coordination with urban and regional planning will be sponsored by Connecticut General Sept. 9-12.

Objective of the meeting is to illuminate the perils and opportunities the new highway program presents in relation to the problem of America's rapidly growing metropolitan areas. The company has been investigating the subject for many months in order to plan the symposium.

The program will consist of several panels at which experts will discuss principal areas of impact of the highway program upon the metropolitan regions. One session will be devoted to an analysis and discussion of the Hartford metropolitan area problem. The symposium has been tentatively entitled, "The New Highways: Challenge to the Metropolitan Region," with the subtitle, "How We Can Increase the Efficiency and Livability of Our Cities through the National Highway Program." It will be a key event in Connecticut General's commemoration of its move from Hartford to its new home office on a 268-acre tract in nearby Bloomfield.

Tells Indianapolis CLUs About Standard Life Plan

Harry V. Wade, president of Standard Life of Indiana, outlined his company's new retirement income program at a recent luncheon meeting of Indianapolis CLU chapter. He explained that the retirement program combined an investment in a fixed income annuity and an investment in equity securities which varies with market fluctuations. Through cooperation with Advisers Fund, Inc., this is the first retirement program of its kind offered by an old line legal reserve life company, Mr. Wade said.

New Underwriter's Handbook of Minnesota

A new Underwriters' Hand-Book of Minnesota has just been published by the National Underwriter Company. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout the state. Copies of the new Minnesota Hand-Book may be obtained from the National Underwriter Company, at 420 East Fourth street, Cincinnati 2, Ohio. Price \$12.50 each.



A Proud Symbol of Security Assured

Throughout the years this lioness and her twin have stood as symbols of strength and protection before the columned building that is the home office of the Kansas City Life Insurance Company.

Their bearing is strong and proud as though they knew how the funds entrusted to us are held to provide a security assured for our policy-owners and their families.

December 31, 1956

assets.....\$341,110,384

amount paid to policy-owners (since 1895).....\$ 300,742,732

insurance in force.....\$1,188,351,594



KANSAS CITY LIFE INSURANCE COMPANY

Broadway at Armour, Kansas City, Missouri

McCARTY STATES POSITION

N. Y. State Assn. Hits Jumbo Group as Giving Discriminatory Tax Advantage

ALBANY—New York State Assn. of Life Underwriters is concentrating its opposition to jumbo group on these grounds, as having the broadest appeal from the public-interest viewpoint:

- Jumbo group places the small business man at a serious disadvantage in competing in the labor market for
- Group term insurance issued to associations holds the seeds of its own destruction, just like the fraternal insurance plans of half a century ago.
- The tax advantage enjoyed by jumbo group means just that much more

in taxes that the rest of the taxpayers have to pay.

These points were brought out in a recent talk by Spencer L. McCarty, managing director of the New York state association at a meeting of the Albany General Agents & Managers Assn. The jumbo group situation is of particular interest because of efforts to obtain a per-life limit law at the current legislative session.

As an example of the first type of "discrimination" Mr. McCarty told of a small but highly profitable manufacturing firm that wanted to pay a

\$30,000 salary to an engineer to be responsible for producing a tool that it had a patent on. The head of the firm found that even an offer of a \$5,000 increase in salary was not enough to equal the fringe benefits that larger corporations were providing for the type of man he wanted. This company had the money and the opportunity but the corporation was simply not large enough to get the size of jumbo fringe benefits the New York law now permits, Mr. McCarty pointed out.

Discussing the tax discrimination angle, Mr. McCarty took as an example a chemical company in which the group premium on an executive with a salary of \$40,000 would be \$4,684 a year. If the executive were charged 40 cents a month per \$1,000 the corporation would pay \$3,916.80 a year for his insurance. This would be allowed as a business expense and at a 52% corporate tax rate the company would save \$2,036 in taxes otherwise payable.

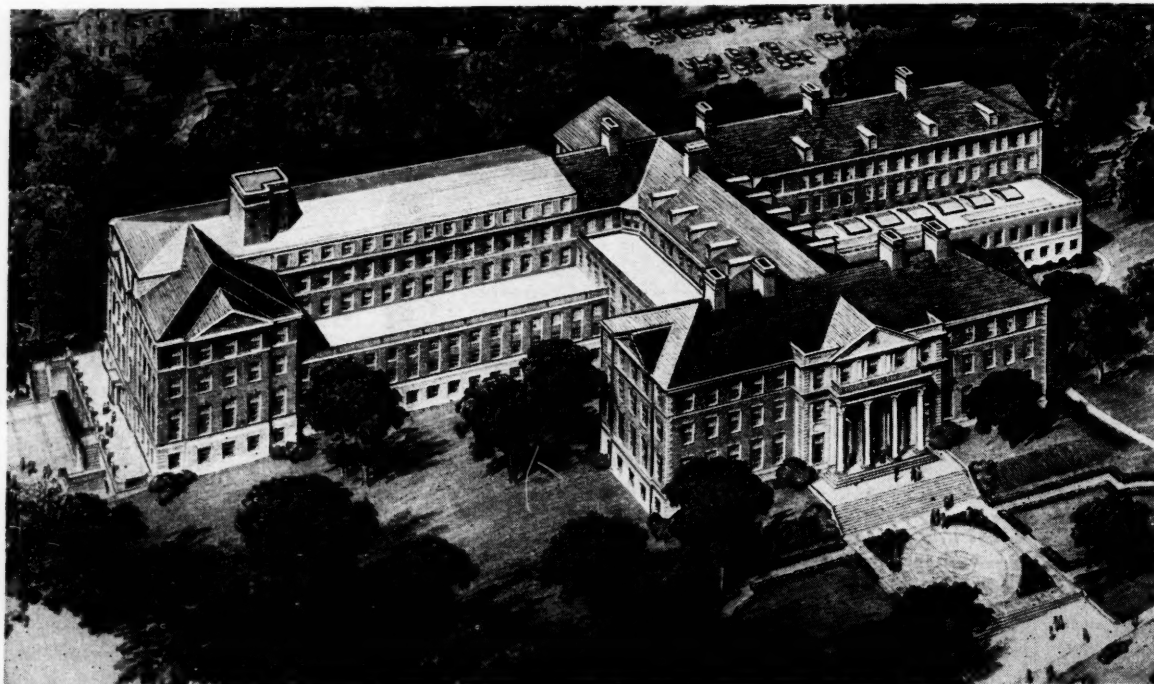
"It is elementary," said Mr. McCarty, "that these taxes are then passed on to other taxpayers who must make up the shortage."

"This is not the only consideration, for group life insurance premiums are tax deductible to the corporation and not taxable income to the employee. So this chemical executive gets about a \$4,000 life insurance premium used for his personal family without paying an income tax on it. At a conservative estimate, these earnings would be in the top 60% tax bracket, or \$2,400 otherwise payable which also must be made up by the other taxpayers in order to balance the government's budget."

"Just as a matter of interest, you will note that in a pension plan where the corporation paid in all the premium, the employee would have to pay personal income tax on the amount the government has determined he has benefited. It is a unique exception that group life insurance premiums are both tax deductible to the corporation and to the individual. You will note that I have used the executive with a \$40,000 income, of which there are a great many in this organization, but there are also executives with \$100,000 salaries who have also received 2½ times the benefits illustrated above."

Mr. McCarty said there is a fallacy in defending jumbo group on the ground that "the executive has to take all his employees along with him in order to get the benefits for himself." The fallacy, he said, lies partly in assuming that all employees cost alike, forgetting that one carries a premium of \$48 perhaps totally contributed by the employee and the other carries a premium of \$3,916 above that contributed by the executive.

Commenting on the loss of tax revenue due to jumbo group, Mr. McCarty said that if a legislative limit is not enacted in New York state within the next few years there can be a switch of as much as \$20 million a year in taxes on New York state residents from corporate executives to the small business man. By way of comparison, Mr. McCarty pointed out that Gov. Harriman, in his 1957 budget message, spoke of saving the small business man about \$2 million in taxes.



Architect's sketch of the Home Office of the Connecticut Mutual Life Insurance Company showing the new North Wing now under construction at the left.

Preparing for even greater growth

THIS year the new north wing of the Connecticut Mutual home office building will be completed to meet the needs of a growing company.

Just 30 years ago the front and center section of the building was completed. Then in 1941 the south wing, to your right in the sketch above, was completed. Connecticut Mutual's growth in these last 15 years tells why we again need more space for more people, more ma-

chines, more space for records and more daily transactions.

New life insurance written in 1941 was \$108 million and in 1956 it was \$430 million; just about quadrupled. Life insurance in force was \$1136 million in 1941 and \$3397 million in 1956; almost tripled. In 1941 benefits to policyholders were \$34 million and in 1956 they were \$99 million; again almost exactly tripled.

HIGHLIGHTS FROM THE ANNUAL REPORT

	1941	1955	1956
New Life Insurance Sales	\$ 108,238,955	\$ 405,323,379	\$ 430,110,522
Average Size Policy	3,643	8,741	8,800
Life Insurance in Force	1,135,915,272	3,123,345,685	3,397,600,780
Reserved for Dividends to Policyholders	5,650,000	21,950,000	24,400,000
Total Assets	423,993,718	1,188,653,256	1,261,397,942
Unassigned Funds (Surplus)	16,351,007	65,064,099	70,767,306
Net Interest Earned on Total Investments, 1956		3.59%	
Interest on Dividend Accumulations, 1957		3.25%	
Interest on Optional Settlements, 1957		3.35%	



The Connecticut Mutual
LIFE INSURANCE COMPANY · HARTFORD

The Kamaaina agencies of General American Life at Honolulu are expanding with the addition of more manpower and emphasis on preparing new agents rapidly for sales work. The new Honolulu agents are not CLUs, but rather are known as SLUs—"Shoe Leather Underwriters."

15, 1957
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STATE FARM REPORT

Facts of interest from State Farm Life Insurance Company, Bloomington, Illinois,
companion company of State Farm Mutual Automobile Insurance Company and State Farm Fire and Casualty Company

VOL. 4 NO. 1 1ST QUARTER, 1957



STATE FARM LIFE ACHIEVES ANOTHER BANNER YEAR!

1956 Record Shows Insurance in Force Up 12½% Over 1955

BLOOMINGTON, ILLINOIS, March 1: During 1956, State Farm Life agents pushed the company's insurance in force past the billion mark to \$1,047,000,000, it was announced here today.

This achievement, representing a 12½% increase over 1955, was accomplished by writing more than \$212,000,000 in new Ordinary life insurance.

Lauds "Family Insurance" Plan

Commenting on the company's rapid growth, State Farm Life President Morris G. Fuller said:

"We're proud of this outstanding life insurance production by our State Farm Career Agents.

"It's another demonstration of the power of State Farm's 'Family Insurance Plan,' in which the agent specializes in coverage for the family car, the family residence and its contents, and the family's financial security program.

"The record of 1956, with the achievement of a billion dollars of Ordinary life insurance in force, gives a good indication of the unlimited opportunities the future holds for every State Farm agent."

.....
This is one in a series of advertisements to acquaint you with State Farm Life Insurance Company, Home Office, Bloomington, Illinois. If you want to know more about any aspect of State Farm operations, simply write: "Director of Public Relations."
.....

PASSING THE "BILLION" MARK



SEPTEMBER, 1956: The policy delivered by State Farm Agent L. A. Livengood (right) to Max L. Myers of Middlebury, Indiana, gave State Farm Life more than a billion dollars of Ordinary in force. The "billion" was achieved in just 28 years by placing individual policies, and without employer group, reinsurance, brokerage, or consolidations.

Expand SFL Offices to Handle Growth

Because of the rapid increase in State Farm life insurance volume in recent years, the Company's office expansion program has moved into high gear.

Last June, the Philadelphia Head Office was moved from Upper Darby, Pennsylvania, to a more advantageous location in suburban Springfield. There it now occupies much larger quarters in State Farm Mutual's own newly constructed office building.

A similar move will take place shortly in Lincoln, Nebraska. State Farm Life's Lincoln Head Office has been occupying temporary quarters

for the past year—ever since its transfer from a home office location in Bloomington, Illinois. Soon it too will be housed in State Farm Mutual's own ultramodern headquarters, now under construction.

Philadelphia and Lincoln are just two of State Farm Life's seven decentralized "Head Offices." Others are now located in Bloomington . . . Berkeley . . . Birmingham . . . St. Paul . . . and Toronto, Canada.

An eighth Head Office—to be located in Salem, Oregon—is now in the "drawing board" stage.

FTC Decides Against N. American Accident By 3-2 Vote in Ad Case

Federal Trade Commission, in a 3-to-2 decision, has upheld a hearing examiner's ruling that North American Accident's A&S advertising misrepresented the duration of coverage, health requirements of policyholders and the extent of coverage in case of illness.

Commissioners Secrest, Anderson and Kern also held that the company

misrepresented the extent of coverage in case of accidents. A cease and desist order was issued against the company. Chairman Gwynne and Commissioner Tait handed down a dissenting opinion.

The majority opinion, written by Mr. Kern, did not concern itself with a discussion of the jurisdictional question other than to say that FTC has full jurisdiction in the proceeding. Holding generally that the examiner's findings were correct, the majority granted an appeal by counsel supporting the complaint that certain other

advertising, not so found by the examiner, was false.

Commissioner Tait, who wrote the dissenting opinion, said the case should be remanded for further proceedings. He disagreed with the majority's prior decision in the American Hospital & Life case that it has authority to regulate insurance advertising in interstate commerce regardless of state regulation covering intrastate advertising.

Referring to the McCarran-Ferguson act of 1945, Mr. Tait said Congress felt

(CONTINUED ON PAGE 18)

Evans Tells Home Life Agents to Sell Idea of Life Insurance Savings

John H. Evans, vice-president in charge of sales of Home Life of New York, opened 3-day regional seminars at Washington and Chicago with a talk on estate planning, business insurance, pensions, and group. He closed the meetings with an address on the responsibility of the agent.

Ideas to increase sales effectiveness of the 100 attending agents comprised the program, under the chairmanship of John W. Langdon, manager of agencies. Theme of the meetings was "Unleash Your Power."

Mr. Evans, in his opening address, urged the agents "to seek out all the problems that you can help people solve: to realize that the scope of planned estates is the measure of your imagination!"

In his closing speech he pointed out that "our greatest competitors are not other life insurance men but rather those forces outside the life insurance business who are selling the idea that two cars, two television sets and three radios are the things to have. We believe that they are less vital to a family's welfare than the savings that should go into adequate life insurance." He said it is the responsibility of the agent to sell the idea that savings for life insurance must keep pace with living expenditures, "to analyze each family's problem and to help the income producer face up to it."

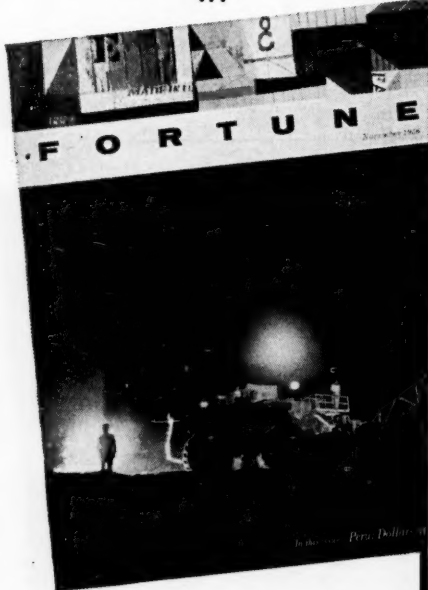
Panels were presented on "Ideas that Work," moderated by Mr. Langdon; group sales ideas, with James T. McCrystal, assistant vice-president, as chairman; "Expanding Business Sources," discussed by Charles A. Murphy, executive assistant, and "Power Under Control," with William W. Stewart, manager of agencies, as chairman. Raymond S. Maechtel, business insurance and pensions manager, discussed new sales ideas in the application of split dollar insurance through Home Life's executive protection plan.

Metropolitan Life Industrial Policyholders Live 70.2 Years

The average life span of Metropolitan Life industrial policyholders has risen to a new high of 70.2 years in 1956, up slightly. The increase since 1909 is 24 years.

For nearly two generations, the average life span of American wage earners and their families has increased more rapidly than that of the general population, which led by six years in 1909. The two groups are now on a par.

General American Life in



A series of advertisements, including the FORTUNE ad on Phillips 66 group life insurance placed with General American Life, makes a powerful national program now working for General American Life field associates. These ads are integrated with the associate's day-to-day selling in a way that converts prospects into profits.

This program is another advantage field associates have under the Lifetime Security Franchise.

For complete details on LSF write to:

Frank Vesser, Vice President
General American Life
Insurance Company
Saint Louis



GROUP INSURANCE by General American Life

Phillips 66 is known throughout the country as a fine gasoline. This is because only the finest meets the requirements of Phillips' management. And that's why Phillips provides General American Group Insurance to its employees.

Phillips knows that contented employees produce better products. The better products make more money.

General American Life can show you how this priceless additive can be provided at a new low cost, for better production, a finer product and a higher profit in your operation.

General American Life
ST. LOUIS, MISSOURI

One of the nation's top ten companies writing employer-employee forms of group coverage.



LIFE GROUP SALES MANAGER

A company just entering the Group field has top positions in Chicago—Detroit—Pittsburgh—Phila. and Los Angeles.

The applicants should be 30 to 45, prefer college education and a minimum of 5 years Group Life experience. Starting salary \$8,000 to \$10,000 plus bonus. Top company.

All inquiries handled confidential.

FERGASON PERSONNEL

330 S. Wells Street Chicago 6, Ill.
HARRISON 7-9040

CONTINENTAL ASSURANCE COMPANY

Proudly Announces

The Newest of Original Group Insurance Plans

Now available for Employees
at Retirement:

Single Premium Guaranteed Non-Cancellable and
Unalterable Hospital-Surgical Insurance

A foremost Group insurance problem long has been presented by employees at retirement. At that time they have lost the quality hospital-surgical benefits of working years . . . with no possibility of individual replacement with coverage of like character. Yet with advancing years, hospital confinement sooner or later becomes virtually certain, surgery likely. Income at that time is at retirement levels.

Continental Assurance has done something about that urgent problem . . . is the first company actually to put a group case of this unprecedented type on its books.

As a member of the insurance fraternity, we believe you will share our satisfaction that we of this business have established our

capacity to undertake solution of this complex social problem as private enterprise . . . not through tax-supported governmental benefits. We invite an opportunity to acquaint you with the further details of this unique group insurance development . . . and urge that you indicate your interest by returning the coupon.

Please Return Coupon for Fuller Details

Continental Assurance Company
Group Insurance Department, Div. M
310 So. Michigan Avenue
Chicago 4, Illinois

Please see that I promptly receive information about your new, original Retired Employees Group H-S Plan.

Name

Address

City Zone State

CONTINENTAL ASSURANCE COMPANY



Pacific Coast Department
215 W. 7th Street
Los Angeles 14, California

Midwestern Department
310 S. Michigan Avenue
Chicago 4, Illinois

Eastern Department
76 William Street
New York 5, N. Y.

The NATIONAL UNDERWRITER



The National
Weekly Newspaper of
Life Insurance

EDITORIAL OFFICE

99 John St., New York 38, N. Y.

Executive Editor: Robert B. Mitchell
Assistant Editors: John B. Lawrence Jr.
and Robert Young Jr.

CHICAGO EDITORIAL OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Associate Editor: John C. Burridge.

Assistant Editors: Richard J. Donahue,
Richard G. Ebel, and Philip F. Van Pelt.
Production Editor: George H. Downs.

ADVERTISING OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Telephone Wabash 2-2704

Advertising Manager: Raymond J. O'Brien.

SUBSCRIPTION OFFICE

420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140

OFFICERS

Howard J. Burridge, President.
Louis H. Martin, Vice-President.
Joseph H. Head, Secretary.
John Z. Herschede, Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140.

SALES OFFICES

ATLANTA 3, GA.—432 Hurt Bldg., Tel.
Murray 8-1634. Fred Baker, Southeastern
Manager.

BOSTON 11, MASS.—207 Essex St., Rm.
421, Tel. Liberty 2-1402. Roy H. Lang, New
England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd.,
Tel. Wabash 2-2704. O. E. Schwartz and
A. J. Wheeler, Chicago Managers. R. J.
Wiegand and William D. O'Connell, Resi-
dent Managers.

CINCINNATI 2, OHIO—420 E. Fourth
Street, Tel. Parkway 1-2140. Chas. P. Woods,
Sales Director; George C. Roeding, Associ-
ate Manager; Roy Rosenquist, Statistician.

DALLAS 1, TEXAS—708 Employers Insur-
ance Bldg., Tel. Riverside 7-1127. Alfred E.
Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth
Building, Tel. Amherst 6-2725. Fred L.
White, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Ex-
change Bldg., Tel. Atlantic 2-5966. D. J.
Stevenson, Resident Manager.

DETROIT 26, MICH.—613 Lafayette Bldg.,
Tel. Woodward 5-2305. William J. Gessing,
Manager for Indiana and Michigan.

MINNEAPOLIS 2, MINN.—1038 Northwest-
ern Bank Bldg., Tel. Federal 2-5417. How-
ard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—99 John Street,
Room 2420, Tel. Beekman 3-3958. J. T. Curtin
and Clarence W. Hammel, New York Man-
agers.

NEWARK 2, N. J.—10 Commerce Ct., Tel.
Market 3-7019. John F. McCormick, Resi-
dent Manager.

PHILADELPHIA 9, PA.—123 S. Broad St.,
Room 1027, Tel. Pennypacker 5-3706. Robert
I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel.
Chestnut 1-1634. Geo. E. Wohlgenuth, Resi-
dent Manager.

SAN FRANCISCO 4, CAL.—582 Market
St., Tel. Exbrook 2-3054. Richard G. Ham-
ilton, Pacific Coast Manager.

EDITORIAL COMMENT

Cool Air of Reason Blows Toward FTC

The opinion of federal appeals court in the Fireman's Fund-Federal Trade Commission case arrives like a breath of fresh air in a room stuffy with the assumptions, presumptions and arrogations by FTC. It is a relief to hear the court, in authoritative and reasonable tones, pose the FTC with the large and elementary issue of jurisdiction, which it has been so lightly brushing aside ever since it started to flail its way into the A&S business with energy and abandon. There is also some remarkably clear and precise applications of legal principles to the arguments of FTC with respect to the so-called "shotgun" subpoena served on President James F. Crafts of Fireman's Fund.

The appeals court points out that the FTC actually imposed on the district court, which upheld its contentions, a limitation to the jurisdiction of that court. FTC urged the court to accept "interpretation of its own powers for the purpose of making the investigation. The appeals court rejected this limitation upon the jurisdiction of the trial court. The appeals court points out:

"It cannot be too often reiterated that the attempt to enforce an administrative subpoena initiates a case or controversy. All questions relating to jurisdiction of the court, authority of the administrative body, reasonableness of the demand under all these circumstances, with regard for due process and protection of individual rights, and relevancy of the testimony of documents are justiciable."

Congress has the power to exclude such action as that of FTC, and if FTC is precluded from jurisdiction, it would have no power to act, and the court would be bound to declare so, the high court made clear.

The appeals court then quotes the McCarran act and points out that in the face of this statute, FTC decided by a vote of three to two that it has a broad and uncontrolled power to regulate the insurance business.

The appeals court then states that the power of FTC to act at all is based upon the exception contained in a proviso of the McCarran act. The distinct purpose of Congress, emphatically set out in the act, was to abandon the field of regulation to the states, where the power traditionally lay. Judicial knowledge may be taken of the fact that, in view of the responsibility which lay on the individual states to regulate this business when by hypothesis there could be no federal regulation, the field was well covered both in the states of origins of the corporations and in the states of dissemination of advertising and of written policies.

In the time zone which Congress deliberately created for the purpose, the appellate court goes on, state legislation to fill lacunae in regulation was widely enacted, as was the intention. A major portion controls the corporation in the place of its incor-

poration or where it has its principal place of business. But it must not be forgotten that many states scrupulously control the media of dissemination of policies, such as brokers, agents and advertising of foreign corporations engaged in the insurance business within the territorial jurisdiction thereof. In initiating a scheme of regulation of strictly interstate negotiation and sale of insurance policies, it might have been well for FTC to establish as to two different states what the limits of such business are.

There was no examination by the district court of the relevancy and pertinence of the testimony and documents demanded to any matter into which the FTC was empowered by state to inquire.

"This court is of the opinion that the subpoena was so broad on its face and the implications of the complaint upon which it was based are so far reaching that it would have been almost impossible to frame appropriate phrases of limitation. If the subpoena be enforced without regard to the relevancy of the testimony sought to the areas over which the commission has

established jurisdiction, the ruling would not only be unfair to the company, but could be quoted as a precedent for an unlimited authority for investigation and discovery in the field of insurance, whether intrastate or interstate. The agency could have limited the subpoena itself so as to have raised the question of its power by particularizing the demand. If the demand had been confined to records relevant to interstate commerce with another single state such as Montana, where there is probably the least regulation of advertising by a foreign corporation in the insurance area, a much closer question would have been presented. But decisions as to relevance as well as those as to reasonable or arbitrary exercise of power must have bases in facts."

The appeals court said the district court had jurisdiction to decide and is required to decide whether the statutes have withdrawn the power from FTC to regulate insurance.

Thus, the appeals court tells FTC that it is not entitled to make its own rules. Its power is subject to higher—and what seems to be clearer—authority. Whether the court is stating here that there is a question of FTC being in this area at all, it sounds reasonably certain that the court is saying that FTC may well not belong in any state which is doing a good job of regulating A&S.

Norman De Grote, manager of agency accounting. President Richard B. Evans presented each new member with a 25-year pin.

PERSONALS

James A. McLain, chairman of Guardian Life, heads the finance, membership and organization subcommittee of New York Chamber of Commerce committee on lower Manhattan redevelopment, which has appropriated \$300,000 for its work in connection with redevelopment plans for lower Manhattan.

Roy A. Foan, vice-president and director of agencies of First Colony Life of Lynchburg, Va., has been elected president of the newly formed Lynchburg Estate Planning Council.

Blake T. Newton Jr., president of Shenandoah Life, has been elected vice-chairman of a Virginia advisory legislative council committee which is studying the possibility of liberalizing laws on retirement age and sick leave for state employees and school teachers.

O. Kelley Anderson, president of New England Life, has been named campaign chairman of greater Boston's first United Fund drive to be held next fall.

Fred A. McMaster, Los Angeles general agent for Ohio State Life, has been reelected for his eighth term as president of Los Angeles Goodwill Industries.

Melvyn J. Huber, supervisor of the Huber agency of Mutual Benefit Life at New York, has been appointed to the editorial board of *Estate Planners Quarterly*, published by Farnsworth Publishing Co. of New York City.

Colonial Life, at a luncheon in Orange, N. J., welcomed to membership in its 25-year service organization, Spinners Society, Frances Amato of the debit department, Helen Taylor, secretary to the vice-president, and

DEATHS

FLOYD N. DULL, 73, for many years an insurance executive in New York City, died. He was the father-in-law of Charles P. Woods, sales director of the National Underwriter Co. Mr. Dull started in insurance with Travelers at Detroit and in 1923 became resident vice-president and New York City manager for Commercial Casualty. He served as vice-president in charge of the eastern departments of Continental Casualty from 1930 until 1947, when he was selected by the New York department and the Reconstruction Finance Corp. to become president of the former Preferred Accident of New York in an endeavor to rehabilitate the company.

RUDOLPH H. BUSCH, 50, with Penn Mutual Life for 25 years, the last 20 of those at Galesburg, Ill., died in Cottage hospital, Galesburg, following a short illness.

MRS. JEFFERSON ISH, 66, wife of Jefferson G. Ish Jr., vice-chairman of Supreme Liberty Life of Illinois, died.

Liberty Life Plans Stock Increase of \$1 Million

Liberty Life has scheduled a special stockholders' meeting at the home office in Greenville, S. C., April 5 to consider a proposal to increase the capital stock from \$2 million to \$3 million, divided into 300,000 shares of par value of \$10 each. It is proposed that the additional shares authorized by the increase in capital stock shall be used to pay stock dividends of 50% to holders of record April 15.

Victor Case Opinion

U. S. ni at San F ruled that in ordering to submit J. Earl Co Federal Tr sion is seen issue of FT Fireman with false tising, refu advertising The compa FTC subp James F. C to Examin an order fr to require the materi company a peals court Mr. Cra grounds th and that t were not re in the co said the co in all advc for busine state. Judge F court opin broadest p under the court was r he doubted demand th held that t have uphel that the pro poena was disclosure without se authority t in this proc The trial the claim, district co consider w the power Fund at a court to acc its own cl investigation be reviewe the main p appeals cou on the trial Since FT an affirmat commission its legal p among othe Judge F erred on the to consider FTC, the r or documen FTC had th the arbitra considering prohibited a cumscribed state comm He said t sider not on also the aut which seeks that a fiat o stating auth field is sac "That the power of th is beyond a "It is appar me that th

Victory of Fireman's Fund on Appeal in FTC Case Regarded as First Significant Court Opinion on Important Jurisdiction Issue

U. S. ninth circuit court of appeals at San Francisco has unanimously ruled that a federal district court erred in ordering Fireman's Fund Indemnity to submit A&S advertising material to J. Earl Cox, hearing examiner of the Federal Trade Commission. This decision is seen as a significant one on the issue of FTC jurisdiction.

Fireman's Fund, charged by FTC with false and misleading A&S advertising, refused a request to submit its advertising material for inspection. The company subsequently resisted a FTC subpoena ordering President James F. Crafts to submit the material to Examiner Cox. FTC then obtained an order from the federal district court to require Mr. Crafts to appear with the material before the examiner. The company appealed the order to the appeals court.

Mr. Crafts appealed the order on grounds that FTC lacked jurisdiction and that the A&S exhibits demanded were not relevant to any inquiry within the commission's jurisdiction. He said the company is closely regulated in all advertising by California, even for business conducted outside the state.

Judge Fee, who wrote the appeals court opinion, did not rule in the broadest possible way on jurisdiction under the McCarran act because the court was not asked to do so. However, he doubted the right of the FTC to demand the advertising material and held that the lower court should not have upheld the subpoena. He noted that the proceeding to endorse the subpoena was initiated to gain complete disclosure of all company A&S records without settling the question of FTC authority to investigate the company in this proceeding.

The trial judge apparently accepted the claim, Judge Fee wrote, that the district court had no jurisdiction to consider whether the commission had the power to investigate Fireman's Fund at all. FTC urged the appeals court to accept FTC's interpretation of its own claimed power to make the investigation, with the breadth of it to be reviewed when the final order in the main proceeding is attacked. The appeals court rejected this limitation on the trial court's jurisdiction.

Since FTC was asking for relief of an affirmative nature, it was up to the commission to establish affirmatively its legal power to act in the field, among other essentials, Judge Fee said.

Judge Fee said the district court erred on these grounds: That it refused to consider the scope of authority of FTC, the relevancy of the testimony or documents to any inquiry which FTC had the authority to conduct and the arbitrary nature of the demand considering that Congress may have prohibited action or at least closely circumscribed action in this field of interstate commerce by the commission.

He said the district court must consider not only its own jurisdiction, but also the authority of any agency to act which seeks relief before it. The idea that a fiat of an administrative agency stating authority to act in a particular field is sacrosanct is illusory, he held.

"That there are limitations upon the power of the commission in this field is beyond all doubt," Judge Fee said. "It is apparently conceded by everyone that the agency had no power to

inquire into the advertising of this corporation in the state of California . . . it is also stated by counsel that the agency has no interest in discovery as to this area. But this court cannot consider this as a supposition or admission. The trial court enforced the subpoena as it read without qualification or exception. This was in error."

Commenting on the court's action, James F. Crafts, president of Fireman's Fund Indemnity, said: "Fireman's Fund has believed from the start that the business of insurance is regulated by state laws and therefore that the FTC has no jurisdiction. We believe this to be the intent of Public Law 15, and that it only can be interpreted as limiting the commission to regulating the business of insurance, only 'to the extent that such business is not regulated by state law.'

"When our company was cited in 1955, we decided to secure a judicial determination as soon as possible and therefore refused to supply evidence in accordance with a subpoena issued by the commission. The U.S. district court in San Francisco declined to consider the question of commission jurisdiction and ordered the subpoena enforced merely because it had been issued with due formality.

"The court of appeals, in reversing this decision, has upheld our contention that the important question of jurisdiction must be decided at the outset. The course taken by Fireman's Fund avoided a lengthy administrative hearing when the right of the commission to hold such a hearing was doubtful."

In his statement, Mr. Crafts reiterated his conviction that the FTC's criticisms of the accident and sickness advertising material of Fireman's Fund were unfounded, and that he was prepared to contest the allegations when the important question of jurisdiction was resolved.

North American V-P Talks to St. Louis Leaders

Ronald D. Rogers, agency vice-president of North American Life of Chicago, addressed the recent leaders luncheon of St. Louis General Agents & Managers Assn. His topic was "Responsibility and Obligations of the General Agent and Agent to Each Other." The topic discussed was appropriate to the arrangement of the meeting which included more than 125 guests, mostly top producing agents from the St. Louis area who were brought to the meeting as guests of the general agents. Each general agent member of the association was permitted to invite the three leading men in his agency to the luncheon. It also was possible for a general agent to invite more than three men if each man invited had a minimum production of \$500,000 in 1956.

To Build District Sales Office

Western & Southern Life have awarded contracts for construction of a district sales office at Dunlap, Ind. The new district sales office will combine the Goshen and Elkhart offices. Construction of the one-story building will begin this month.

K. A. Albrecht, district manager at Milwaukee for Social Security Administration, spoke on "New Disability Income Feature of the Social Security Law" at the March meeting of Milwaukee A & H Underwriters Assn.

FTC Hears Arguments in Educators Mutual Case

Federal Trade Commission has heard oral arguments on the appeal by Educators Mutual of Lancaster, Pa., from the initial ruling by Examiner Hier last October that the company falsely advertised its A&S policies. A. Alvis Layne Jr., Washington attorney, appeared for the company and Francis C. Mayer of the FTC legal staff argued in support of the examiner's order.

Mr. Layne contended Educators is not subject to FTC jurisdiction because it is a mutual company and not a corporation organized for profit. Counsel supporting the complaint failed to prove that the company was organized for profit, he said, noting that the federal trade commission act gives FTC jurisdiction over persons, partnerships or corporations.

Mr. Layne said there was no evidence that any policyholders were deceived. Advertising material used by agents was not false or misleading and its use had been discontinued before Mr. Hier heard the case. It is impossible to conclude, on the basis of the advertising material used as part of the sales effort, that there was a capacity or intent to deceive. FTC

must reach a conclusion on the basis of the entire record showing adequate evidence. Mr. Hier erred in excluding certain expert evidence. The case is based on inference, Mr. Layne said.

Mr. Mayer "apologized" for not bringing in any "novel" argument such as that referring to mutuals. The McCarran act applied to the insurance business, and not to just one type of company. It is inconceivable that Congress meant to leave the mutual companies free of FTC regulation, he said. The commission has already, in effect, decided the Educators case by its rulings in other A&S cases, he said.

Ill. Assn. States Annual Meeting, Sales Congress May 24-25 at Bloomington

Illinois Assn. of Life Underwriters will hold its annual meeting Friday, May 24, at Bloomington. A state sales congress is planned for the next day, Saturday, May 25, at the Memorial Center of Illinois Wesleyan university, also Bloomington. The Illinois Leaders Round Table is expected to sponsor its usual luncheon meeting the day of the state annual meeting. The central Illinois chapter of CLU plans to hold a breakfast meeting Saturday, May 25, which will constitute the annual meeting of the group.

MONEY-MAKING PROPOSAL FOR GENERAL AGENTS LIFE • ACCIDENT and SICKNESS HOSPITALIZATION • GROUP

IN PENNSYLVANIA • OHIO • ILLINOIS INDIANA • MARYLAND • DELAWARE KENTUCKY • TENNESSEE • ARKANSAS LOUISIANA • MISSISSIPPI • FLORIDA

MORE COMPETITIVE . . . L.I.C.A. offers a complete portfolio — policies filled with unusual selling features . . . loaded with advantages you can get your teeth into — and really S-E-L-L!

MORE MERCHANDISING . . . We offer a hard-hitting, sales producing program, from "mail to sale" Everything furnished to you without charge.

MORE ADVERTISING . . . We help you develop sales potential through local advertising, direct mail, quality-lead programs.

MORE MONEY FOR YOU . . . This is truly a "ground floor" situation. L.I.C.A.'s vigorous building program spells O-P-P-O-R-T-U-N-I-T-Y for you!

WRITE, WIRE OR PHONE COLLECT
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Life Insurance Company of America
Wilmington 99, Delaware • Telephone: OLYMPIA 4-2474
LIFE • A and S • GROUP • HOSPITALIZATION



CENTRAL ASSURANCE COMPANY
COLUMBUS 5, OHIO

John D. Shafer, President

Write for complete information on our

ACCIDENT & HEALTH, LIFE AND HOSPITALIZATION PLANS

Oshkosh District Wins Pru Presidential Trophy

The Oshkosh (Wis.) district of Prudential won the 1956 President's Trophy, an award given annually to the top Prudential office in the U. S. and Canada. The trophy is given to the winning district office for all-around performance by agency personnel, including quality underwriting and policyholders service. In winning the trophy, the Oshkosh district outranked more than 500 Prudential districts throughout the country. This is the

RECORDS

fourth time the Oshkosh office has won the trophy since it was established in 1946. Other years of winning were 1946, 1948 and 1952.

Fidelity Life Sets 1957 Goal; Fidelity Mutual Passes \$1 Billion

Fidelity Life Association, a mutual legal reserve company in Illinois, has set a 1957 goal of \$100 million of insurance in force. A story to this effect, which appeared in the Feb. 8 issue,

was correct in content but in the headline of the story referred to Fidelity Life as Fidelity Mutual. This description had a tendency to confuse Fidelity Life of Illinois with Fidelity Mutual Life, a large Philadelphia company which recently passed the \$1 billion of insurance in force mark.

The Buda agency of New England Life held a "wreck-the-records" dinner, featuring awards to winners in a company-sponsored production competition. Starting from scratch last February the agency sold \$4 million in 1956 and had its first million-dollar month in January. Bernard M. Cannon, assistant director of field training, represented the home office at the dinner.

L. A. Agenbty Wins Pru President's Trophy

The Jack White agency of Los Angeles has been named Prudential's top ordinary agency for 1956 and has been awarded the president's trophy for its outstanding "all-around accomplishments."

The company's top brokerage award, the president's brokerage trophy, went to the Saul S. Vort brokerage agency at Newark, which headed all others in the brokerage division.

Fourteen leading contenders for the president's trophy will receive a president's citation. Locations and managers of the citation winning agencies are: Chicago, Robert J. Murphy; Detroit, William H. Klingbeil; Philadelphia, Ralph H. Rice Jr.; New Orleans, Sidney L. Marks; Cleveland, John D. Buchanan; Raleigh, Lucian A. Peacock; Newark, Osborne Bethea; Nashville, Louis K. Edge; New York, Thomas W. Melham; Los Angeles, Walter S. Payne; Kansas City, Glen S. Baker; St. Louis, Thomas A. Gallagher; Washington, D. C., James W. Merritt; Honolulu, Glen A. McTaggart.

Prudential's downtown agency in New York City under Managers Gerald A. Eubank and Hirma G. Henderson was awarded a president's brokerage citation for outstanding performance in that division.

New England Awards 1956 Trophy to Weber Agency, Cleveland

NEW ENGLAND LIFE—The Weber agency at Cleveland has won the 1956 president's trophy for consistent performance, agency building and high rank in five other divisions including production and service to policyholders.

Divisional winners were the Schmidt agency at New York, the Partridge agency at Boston, the Baldwin agency at Washington, the Pittman agency at Birmingham, Ala., and the Hopkins-Clements agency at Montgomery, Ala.

JOHN HANCOCK—Robert E. Harding Jr., manager of the New Haven group office, and Duncan A. Brash, northeastern regional manager in Boston, have been cited for leading in the sale of new group cases in 1956. The rate of new-case production during the final quarter of 1956 significantly exceeded that of preceding quarters. New group life volume in 1956 was \$583 million. Group premiums were a record \$161 million.

TRAVELERS—William B. Jaeger, New York City, will be cited at a conference at the Boca Raton hotel, Boca Raton, Fla., March 18-22, for producing more than \$1 million in 1956. With Travelers for five years, Mr. Jaeger was appointed brokerage manager of the Groh agency last year.

MASSACHUSETTS MUTUAL—January ordinary sales amounted to \$82,056,270, up 17%, a new all-time high for any single month. January business constituted 12.3% of the company's quota for 1957.

Another record was set for the month with 30 agencies, up seven, doing more than \$1 million of ordinary.

The Yates-Woods agency at Los Angeles led with \$4,251,984 of ordinary. The Miller agency at Philadelphia was second with \$3,618,515, and the Lizotte agency at Newark was third with \$3,257,140.

Group sales in January were \$11,528,397, up 101.9%.

Madison Wis.—Louis Fish, New York Life million dollar producer at Joliet, Ill., explained his selling methods.

NO ARMCHAIR GENERALS HERE!

Armchair generals are conspicuous by their absence among Home Office people at Minnesota Mutual Life! You'll find Minnesota Mutual men in the Field . . . giving shirt sleeve, down-to-earth help in front of prospects . . . demonstrating how to get results with sales tools that have no peers in the industry.

The "Star of the North" is the fastest growing mutual company because it has developed the plans and the tools to put a new man into production fast . . . keep a good man growing year after year . . . and move the best men into the unlimited frontiers of Advanced Underwriting.

Typical presentations are Minnesota Mutual's Success Bond Story, Mortgage Cancellation Plan and unique Business Insurance Proposal. Each is "triggered" by visual sales aids that *really work!*

Behind all this lies a higher-pay incentive contract incorporating an unusual combination of persistency fees. It guarantees greater return to the man who writes quality business.

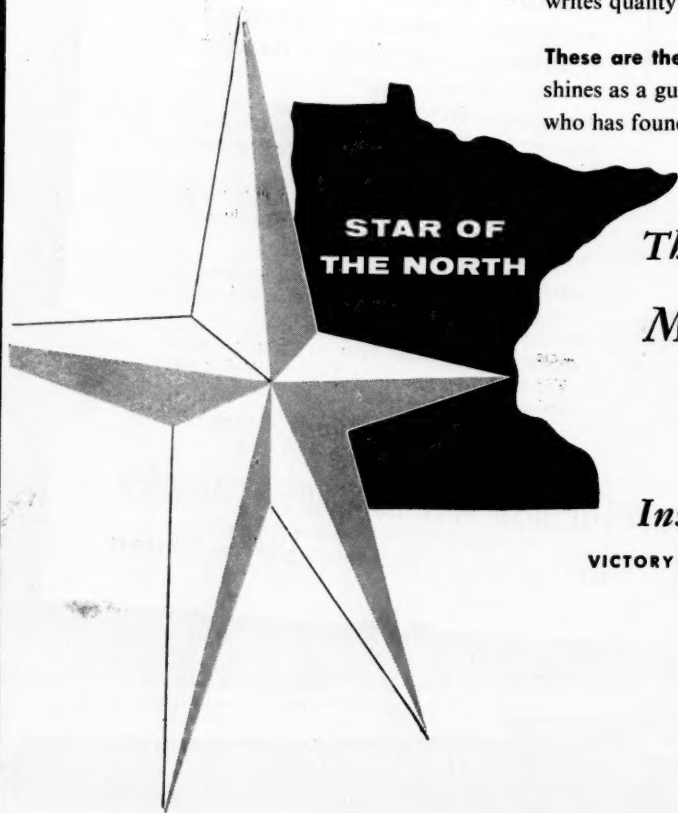
These are the reasons why the "Star of the North" shines as a guiding light to many a career underwriter who has found his place in the sun with . . .

STAR OF
THE NORTH

The Agent-Minded
**MINNESOTA
MUTUAL
LIFE**

Insurance Company

VICTORY SQUARE—ST. PAUL, MINNESOTA



Full H.O.

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Full Program for H.O. Underwriters

The program has been completed for the annual meeting of Home Office Life Underwriters Assn. April 11-13 at the Greenbrier, White Sulphur Springs, W. Va. On Thursday morning the presidential address will be given by Doane Arnold of New England Mutual. O. Kelley Anderson, president of New England Mutual, will be the guest speaker. The session will close with a business meeting.

The afternoon will be devoted to separate discussion groups. Thomas W. Reed of Continental American will lead one on underwriting routines. This will deal with how far to simplify underwriting procedures in small cases. Where are the points of diminishing returns in asking for statements from attending physicians? Can they be gotten faster? Are electrocardiograms and X-rays worth their cost? What are practical aspects of charging medical and inspection fees to agents? Can underwriting or policy issue be sped by better use of machines or personnel.

Douglas T. Weir of North American Life will lead the discussion of practical problems of substandard insurance. Here such topics will be considered as considerations that justify or lead to waiving extra premiums below certain levels. What is the financial effect on the company concerned? In territories where no signed amendment form is necessary, should one be secured to confirm that the applicant realizes he has been rated? How strongly should the fact of rating be spelled out in the policy itself? How frequently are substandard cases submitted by the agent for a competitive bid? Do the not-taken ratios for substandard groups show undue resistance to ratings? What is considered a satisfactory ratio for each group? How serious is the reconsideration problem? Are rules requiring a waiting period effective? Can temporary extra premiums solve part of this problem?

Gaylord L. Paine of Connecticut Mutual Life will lead the discussion of underwriting brokerage business. This will cover first line, surplus and general brokerage business and business submitted by agents of other companies. It will deal also with shopped business and statistical data.

William F. Ward of Mutual Benefit will lead the discussion on non-medical experience and limits. This will cover recent studies that are available, considerations that should determine whether a company should raise its age and amount limit, the special hazards involved in extending the non-medical privilege to brokers and agents of other companies, and when and to what extent it is warranted to modify normal selection standards by granting guaranteed approvals for groups of applicants such as those involved in pension trusts.

There will be an informal reception that evening.

At the Friday session, with Wray M. Bell of London Life as chairman,

Wisconsin National Pays 50 cent Dividend

Wisconsin National Life has declared a semi-annual dividend of 50 cents which was payable March 1 to stockholders of record Feb. 19. The dividend represents an increase of 10 cents a share above the semi-annual dividend rate in 1956. The company will hold its annual meeting April 9.

Pearce Shepherd, vice-president and actuary of Prudential, will discuss underwriting changes over 20 years, and John G. Kelly, assistant general counsel of Mutual of New York, assumption of business risk in insurance operations.

The afternoon will be devoted to an industrial underwriting session with Russell L. Wagner, National Life & Accident, as chairman. An industrial quiz panel will be moderated by Samuel F. Shafton of Baltimore Life. Participants will be William W. Black, Jr. of Commonwealth, Francis Kavanaugh

of John Hancock, and George L. Knowles of Home Life. Rex Metz of Liberty Life will moderate an industrial case clinic with Paul Choate of National L.&A., Maurice Comfort of London Life and Matthew W. Peterson of Metropolitan as participants.

At the Saturday morning session the occupational committee will report, with Donald H. Lawson of Travelers as chairman. David P. Cartwright of Minnesota Mutual will discuss "Tac-onite—Ore Dressing and Processing."

Morris Pitler of Mutual of New York will moderate a panel discussion on

considerations underlying reductions in or elimination of occupational ratings. The participants are Chester F. Barney of American United, David W. Bell of Imperial, Leon B. Hovey of John Hancock and Paul Shea of Penn Mutual. Certain health experiences among asbestos workers will be discussed by Hugh Jackson, manager of the industrial health program of Johns-Manville Corp. and by Dr. Kenneth W. Smith, medical director of that company. The closing speech will be a 12-months' report on nuclear energy by Reuel C. Stratton of Travelers.

QES

NEW from Northwestern Mutual . . .

Quantity-Earned Savings on life insurance

*Now every type of policy of \$5,000 or more,
is offered at a new, lower cost!*

NORTHWESTERN MUTUAL, long famous for the low net cost of its life insurance, now introduces new Quantity-Earned Savings, based on the size policy you buy. You benefit in much the same way you do when you buy many other things in quantity.

New price structure effective January 1, 1957

On all new Northwestern Mutual policies, when you step up to amounts of \$5,000 to \$10,000, you step down the

per thousand rate. When you step up to policies of \$10,000 and over, the rate steps down again, resulting in even greater Quantity Earned Savings.

How is this new saving possible?

There are certain necessary expenses in the writing and servicing of any life insurance policy. But, up to a point, larger policies have lower expenses per \$1,000 of insurance. It is these actual Quantity-Earned Savings that North-

western Mutual is now passing on to the large majority of you in the form of rates that step down at five and again at ten thousand dollars.

No strings attached!

Choose any type of Northwestern Mutual life insurance policy to fit your needs: ordinary life, limited pay life, life-at-65, term, endowment, or any other insurance policy issued by the Company. Northwestern Mutual's new QES principle applies across the board to save you money.

The Northwestern Mutual Life Insurance Company, Milwaukee, Wisconsin.

LIAMA Meeting on Agency Growth in Chicago March 18-20

LIAMA's agency management conference to be held in Chicago March 18-20 will be on the theme "There Is More Than One Way to Grow."

Ben F. Hadley, vice-president and director of agency administration for Columbus Mutual, will make the opening address, on "Signs of the Times." Frederic M. Peirce, managing director of LIAMA, will then discuss

"Our Responsibilities As We Grow." J. Harry Wood, editor of *CLU Journal*, will speak at the fellowship dinner.

Norman T. Carson, agency vice-president of Security Mutual of Binghamton, N. Y., will set the stage for the second day's session. "Building Through Full-Time Organization" will be discussed by Wayne L. Lewis, general agent for Ohio Life at Columbus,

whereas "Building Through Part-Time Agents" will be discussed by G. Wm. Sayers, general agent for Columbus Mutual at North Manchester, Ind.

John Weaver, executive vice-president for U. S. Life, and C. B. Barksdale, agency vice-president for Protective Life, will speak respectively on building through general insurance men and brokers, and through personal producing general agents.

M. F. Browne, agency vice-president for Occidental of North Carolina, will conduct a discussion called "Hot House Ideas." President B. N. Woodson of American General will give the closing address, entitled "Standing on the Corner." Workshops will constitute the remainder of the program.

Chairman of the conference is William R. Davis III, director of field services for Commonwealth Life.

Danville Association Observes Anniversary

Danville (Ill.) Life Underwriters Assn. recently celebrated its 30th anniversary with a dinner party which drew the largest attendance ever in the history of the group. Mrs. Helen Brown, Mutual Benefit Life, the first woman ever to head a local life association in the country, was in charge of the meeting and secured as speaker her company's president, H. Bruce Palmer.

Mr. Palmer's topic, "Let's Throw Away the Book and Dream," developed the theme of using the experience of the past in the life insurance industry along with the new thoughts and ideas of the future by putting them both into practical application.

J. McLean Reed, Danville superintendent of schools, saluted the agents on their anniversary celebration and paid tribute to the professional progress of the association. Agents representing 30 different companies and their wives were present for the occasion.

Saginaw—Thomas M. Murphy, tax consultant of the O'Keefe, Braun, Kendrick & Finkbeiner law firm, addressed the association on "Taxes Affecting the Life Insurance Buyers."

St. Louis—"Remembering Names and Faces," was the topic of a talk by Robert H. Nutt, author, at a Continental breakfast meeting of the St. Louis association at Hotel Chase.

N. Y. Assn. Completes Plans for March 14 Annual Sales Congress

New York City Assn. of Life Underwriters has completed plans for its annual all-day sales congress to be held March 14.

The afternoon speakers will be Karl H. Kreder, 2nd vice-president of Metropolitan Life, on the sales potential of A&S insurance in today's market; Robert J. Lawthers, director of benefits and pension business, New England Life, on the current business insurance scene, and Surrogate DiFalcone of New York County, whose topic will be "Are Your Clients Ready to Die?"

Morning speakers will include James B. Rowe, general agent of John Hancock at Charlotte, N. C.; A. Jack Nussbaum of Massachusetts Mutual, Milwaukee, and president of National Assn. of Life Underwriters, and Ben H. Wooten, president of First National Bank of Dallas.

Insurance, Like the Horse, Belongs Ahead of the Cart

Dan C. Kreer, Fidelity Mutual Life, Chicago, told the February meeting of Detroit Life Underwriters Assn. that the man who fails to provide himself with the protection of a planned estate is putting "the cart before the horse." He said the cart symbolizes death and the horse is analogous to a properly planned estate. Mr. Kreer said that those who incur obligations and invest in stock before they have an adequate insurance program are surely placing the cart before the horse. He also reminded that the life insurance agent who does not have an adequate program of his own and a will of current date is not practicing what he preaches.

Seek 1,200 Detroit Members by Sept. 15 for NALU Convention

Detroit Assn. of Life Underwriters has set 1,200 as its membership goal in preparation for serving as host to the Sept. 15-20 annual convention of National Assn. of Life Underwriters. Detroit ended 1956 with 930 members, up 287.

Carl E. Moody of Penn Mutual is chairman of the membership campaign and Frank Howland of Massachusetts Mutual is local general chairman for the convention.

Boston Actuaries Debate Problems of Lower Rates on Female Lives

Boston Actuaries' Club, at a meeting conducted by Fred G. Letwin of Massachusetts Mutual, discussed problems facing companies issuing insurance on female lives at reduced rates. Trends in group A&S loss ratios, single premium paid-up group A&S coverage for retirees and simplification of individual contracts were also discussed.

OUR GOAL

"TWO BILLION ON THE LINE BY DECEMBER FIFTY-NINE"

Here's how we're doing!

INCREASE IN LIFE INSURANCE IN FORCE DURING 1956

\$251,902,238.00

TOTAL LIFE INSURANCE IN FORCE

\$1,168,192,772.00

Here We Go Again, Charlie!



REPUBLIC NATIONAL LIFE INSURANCE CO.

3988 NORTH CENTRAL EXPRESSWAY • DALLAS, TEXAS

a rare combination

of old and new

Time-proven service since 1891 with always a new approach to the constantly changing needs of policyholders



BOSTON MUTUAL LIFE INSURANCE COMPANY
156 STUART ST. • BOSTON 16, MASS.
INCORPORATED 1891

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Fundamentals Stressed at Texas Sales Congress

The fundamentals of prospecting and organization were stressed by speakers who addressed some 2,600 agents attending the Tri-City Sales Congress at Houston, San Antonio and Fort Worth. The three-day sales meeting was sponsored by Texas Assn. of Life Underwriters.

Bernard H. Zais, Connecticut Mutual Life, warned his listeners that they would be disappointed if they expected to reach the Million Dollar Round Table through some magic plan or by writing a few large cases. Mr. Zais told the agents they should develop a weekly control record which would show where they should be at the end of the week and what they had accomplished. Service calls should not prevent making new contacts, he said, and he recommended making night calls. He declared that attitude is more important than aptitude, and he attributed his making the company honor club to a better attitude, better approach and night work.

"Every now and then go back to fundamentals. He who rises to great heights has periods in which he reaches great depths, and there is a tendency to go back to old habits," Mr. Zais declared.

Agents were asked to "keep attuned to the expanding market" by Earl M. Schwemm, Great-West Life. "The future is always purchased by the present. Fifty percent of the workers today are in work unheard of 50 years ago. The leading companies now expect growth in the sale of products not now in existence or on the shelf of the merchant," Mr. Schwemm said.

He said that if agents would analyze their sales, they might be surprised to find that the buyer initiates the sale more often than the salesman realizes.

C. W. Napper, Southwestern Life and representative of Texas Leaders Round Table, declared that like successful athletes, successful agents must master fundamentals. The agent must obtain a necessary knowledge of life insurance, master a presentation, plan his work, organize his program, keep records and analyze results, and strive to render a little better service.

He said the agent must believe in insurance and possess as much insurance as he hoped to sell. Mr. Napper said he never sold a \$100,000 policy until he himself bought \$100,000.

Other speakers at the sales congress were Alden Palmer, Indiana insurance commissioner, and Lambert H. Huppeler, vice-president of New England Mutual Life.

Explain NW Mutual's "Q.E.S." to N. Y. CLUs

Harry Krueger, general agent of Northwestern Mutual at New York, analyzed his company's "quantity-earned savings" program at New York CLU chapter's meeting.

He said Northwestern Mutual, after a 3-year study, decided that size of policy could be a factor in pricing. Classifications of \$1,000-\$5,000, \$5,000-\$10,000, and \$10,000 or over were established with the manual rate applying to policies under \$5,000, a reduction of \$1 per thousand in the \$5,000-\$10,000 class, and \$1.25 in the \$10,000 or over class.

The effect, he said, is that buyers of large amounts, who have to some extent been subsidizing the smaller buyer, recover their overcharges, and

buyers of large amounts now pay their fair share.

By dividend adjustment, insured owning policies dating from Jan. 1, 1947 will be brought into the program.

R. W. Deisler of Guardian to Talk to LOMA Grads on Electronic Uses

Robert W. Deisler, coordinator of electronic methods and procedures of Guardian Life, will address Society of Life Office Management Assn. Graduates at Guardian's home office March 13. He will discuss his company's present and future uses of the "650" electronic data processing machine.

Keil Tells Quincy Agents How to Write a Million

Kenneth L. Keil, Penn Mutual, Springfield, Ill., told the Quincy, Ill. Life Underwriters Assn. that the sale requirement for a life insurance agent to become a million dollar producer is to "think big," explaining that "the world gets out of the way of the man who knows where he is going." Mr. Keil suggests that if a man assumes it is impossible to fail he won't fail.

Thomas F. Hull, Equitable Society, president of the Quincy association, presided at the meeting and introduced

Fred D. Cox, Sun Life, who was simultaneously celebrating a birthday and completion of 40 years in the life business. A large turnout sang "Happy Birthday" to Mr. Cox.

Port Huron-Sarnia—H. L. Sharpe, manager director of Northern Life of Canada, spoke on "The Unexpected Trends in the Life Insurance Industry During the Next 10 Years."

Marquette, Wis.—The importance of a good life insurance program was stressed in a talk, "Life Insurance—Good Property to Own," by Robert Remmel, Aetna Life, at a luncheon meeting of the northern Wisconsin-upper Michigan association.



The only father who isn't a prospect for **MONY'S** new \$50 "Deductible" Family Hospital Policy

Unexpected hospital bills can wreck carefully laid savings plans. That's why your prospects need economical family protection against the bigger hospital expenses.

Now MONY's "Deductible" Family Hospital Policy can help those who qualify meet many hospital bills that might well ruin their budgets for years to come.

The \$50 deductible feature, which also eliminates the high cost of administering small claims, enables MONY to provide this coverage at premium rates well within the reach of even the young family man.

Because of its flexibility and low cost, MONY's new \$50 Deductible is made to order for most families.

Consider these features:

Coverage for husband and wife and unmarried, dependent children from 31 days to 18 years of age.

Scheduled surgical benefits in or out of the hospital.

A range of benefits for room and board as well as a benefit for special hospital charges.

A Maternity Expense benefit to which the deductible does not apply.

Guaranteed continuable: during Insured's lifetime or until attainment of aggregate limit for the reduced benefits which apply after age 65. Company has right to adjust premiums on a class basis only.

The Policy is Participating.

A minimum of exclusions and limitations.

(Note: Policy as described is not available in California.)

INQUIRIES FROM AGENTS AND BROKERS INVITED.

Send for brochure describing this policy. Write to your nearest MONY agency or Mutual Of New York, Dept. 13-6, 1740 Broadway, New York 19, N. Y.

MUTUAL OF NEW YORK

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, NEW YORK, N. Y.

Life Insurance—Accident and Sickness—Hospitalization—Retirement Plans... FOR INDIVIDUALS AND EMPLOYEE GROUPS

MONY offices are located throughout the United States and in Canada

MONEY TODAY MEANS MONEY TOMORROW!



FTC Decides Against North American Accident

(CONTINUED FROM PAGE 10)

that continued state regulation of insurance is in the public interest. Under this law, the FTC act is to apply to the extent that insurance is not regulated by state law. When Congress, in effect, tells the states to regulate insurance, he said, it is unsound to presume that Congress intended joint or concurrent federal and state regulation.

Mr. Tait contended that, under the

McCarran act, if the states have laws regulating insurers and an insurer is subject to the jurisdiction of the states, then FTC is without jurisdiction. In this case, the company is licensed in 48 states and District of Columbia. There remains the question of whether the states and District of Columbia have enacted regulatory legislation. It is not known from the record to which type of insurer, life or

health and accident, the existing statutes may apply, he said.

Under the majority's previous decision, the examiner was not required to consider these questions, Mr. Tait continued. He said the case should be remanded to the examiner to resolve these questions.

The dissemination of advertising by the company through the mails and radio presents somewhat novel questions of law, Mr. Tait said. He noted that Congress provided for federal regulation of radio and that the federal government has exclusive jurisdiction over the mails. It might be argued, he said, that in neither radio or mail dissemination would the state's action be an attempt to regulate the media. Rather, the state action might be held to constitute regulation of insurance—more specifically the advertising practices of an insurer. Remand of the proceedings would allow both sides to brief these novel ideas, he said.

In another development, Examiner Laughlin held that Prudence Life of Chicago misrepresented in its advertising the duration of coverage, amounts payable for hospitalization and surgery, the beginning date of coverage, and that its community health enrollment plan have public official sponsorship and offer coverage at reduced premiums. However, he did not sustain charges that the company represented that benefits are payable without regard to pre-existing health conditions and that hospital expenses are paid up to 200 days for each sickness or accident.

Examiner Lipscomb, meanwhile, ruled that Mutual Benefit H.&A.'s advertising regarding duration of coverage, health requirements of insured, benefits payable, beginning date of coverage, amounts payable for surgery and the amount and duration of monthly disability benefits were not properly stated.

The hearing examiners' decisions may be appealed to the commission, stayed or docketed for review.

Replying to Examiner Lipscomb's decision, L. E. Thorngren, general solicitor of Mutual Benefit H.&A., said:

"This is a personal opinion of the examiner and is subject to review by the commission itself.

"Mutual of Omaha is licensed and supervised by the state insurance de-

partments in all forty-eight states and the District of Columbia and in all other areas outside the continental United States where they do business. The company has faithfully complied with all regulations and requirements of the state insurance authorities and other supervisory bodies wherein it is licensed to do business.

"This proceeding brought more than two years ago came as a complete surprise to us, since we had been advised by a representative of Federal Trade Commission less than a month before that we were doing a good job.

"The fundamental issue involved in this proceeding is whether the insurance industry is to be regulated by the FTC or whether that regulation should remain with the state insurance departments who have traditionally fully regulated the business of insurance. It is a question of states versus federal regulation. This is a question which must ultimately be determined by the courts."

Robert Taylor of Salem, Ore., president of National Assn. of Insurance Commissioners, made this comment: "It is surprising and disturbing that the FTC is pursuing these old charges while the question of its jurisdiction is still the subject of federal court litigation. This action on the part of an agency of the federal government, in light of the facts that exist, is an unwarranted undermining of public confidence in insurance."

Thomas R. Pansing, Nebraska insurance director, commented: "The state of Nebraska as well as all the other states of the U. S. are contesting the attempt by the Federal Trade Commission to regulate the insurance industry. State insurance departments the nation over are fully capable of continuing to supervise the insurance business as they have done in the past."

Mr. Thorngren commented further: "Mutual of Omaha policyowners have expressed their satisfaction in Mutual of Omaha when in a recent survey 96.49% of the policyowners responding to a questionnaire stated they were satisfied with Mutual of Omaha's overall services. Satisfied policyowners have made Mutual of Omaha the largest company in the world specializing in health and accident insurance. Since organization, more than \$800 million have been paid out in benefits. In 1956 alone, more than one million benefit checks were received by Mutual policyowners.

"Mutual of Omaha has pioneered in the field of health and accident insurance under high ethical standards and at all times has maintained practices consistent with the best interests of the public and its policyowners."

Court Backs Pru Refusal to Pay Double Indemnity for Monoxide Deaths

ST. PAUL—Prudential has won a double indemnity suit brought by the parents of two men who died after being overcome by fumes while removing wallpaper in a house.

The parents claimed double indemnity under the accidental death clauses of the policies.

Prudential, however, pointed out that the policies carried an additional clause excluding double indemnity if death was caused "by inhalation, voluntary or otherwise, of carbon monoxide." The company declined to pay the extra amount on the grounds monoxide was the cause of death. The court upheld the insurance company.

HOME OF Confident Living

Complete portfolio of Life and S&A... outstanding package exclusives... Junior Estate builder... automatic Waiver... \$10-per-thousand Disability Income... Non Cancellable S&A (to 65)... comprehensive mass coverages... progressive merchandising... professional training... exclusive performance bonus. Ask for Confident Living brochure "BO-321".



HOME OFFICE
MINNEAPOLIS,
MINNESOTA

NORTH AMERICAN Life and Casualty Company

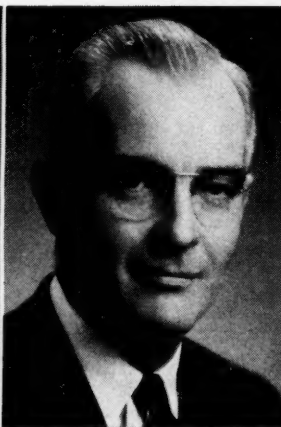
H. P. Skoglund—President • J. E. Scholefield, CLU—Vice President, Director of Agencies

OVER HALF A BILLION OF LIFE INSURANCE IN FORCE

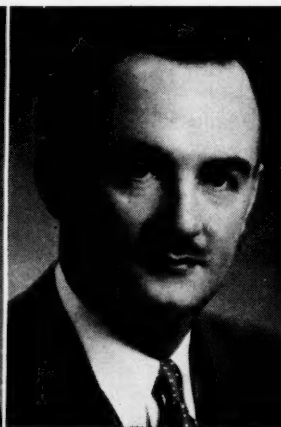
Crown Life Appointments



N. D. Campbell, F.S.A.



J. E. Moore, F.S.A.



G. N. Watson, F.S.A.



J. M. Breen

The Crown Life Insurance Company is pleased to announce the following appointments of Mr. N. D. Campbell, F.S.A., as Vice-President and Actuary, Mr. J. E. Moore, F.S.A., as Vice-President and Comptroller, Mr. G. N. Watson, F.S.A., as Group Vice-President and J. M. Breen as Assistant Agency Superintendent.

A&S B Increased \$2.1 B

Company's \$2.1 billion increase in benefits...

Benefits covering health care and life insurance, up 2% from \$601 million...

Persons' pension policy with \$629 million in policies and individual policies...

Surgical counted 1 million go-ies and icholders...

Payment policies at \$47 million \$11 million...

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Texas has elect-Men's A-Borden, Glenn B-president-Travelers-Direct-associati-meeting-Assn. Ra-

A & S

A&S Benefit Payments Increase 18.5% to \$2.1 Billion in 1956

Companies paid A&S benefits totaling \$2.1 billion in 1956, up 18.5%, according to Health Insurance Institute.

Benefits paid under group policies covering hospital, surgical and medical care and loss of income were \$1.5 billion, up 20.9%, while the increase in benefits under individual policies was \$601 million, up 12.8%.

Persons covered under hospital expense policies received \$855 million, with \$629 million received under group policies and \$226 million through individual policies.

Surgical expense insurance accounted for \$346 million, with \$273 million going to those under group policies and \$73 million to individual policyholders.

Payments under medical expense policies amounted to \$58 million, with \$47 million paid under group plans and \$11 million through individual policies.

Major medical payments totaled \$65 million, with group policyholders receiving \$62 million and individual policyholders receiving \$3 million. These figures include policies written alone or to supplement the basic hospital, surgical and medical coverages.

The institute noted that persons insured against loss of income due to sickness or disability received \$695 million as income replacement, with \$449 million received through group policies and \$246 million under individual policies.

Compulsory Disability Bill Introduced in Michigan

LANSING—Legislative spokesmen for union labor have offered a compulsory disability insurance measure in the Michigan legislature.

The bill would require employers of four or more persons to provide coverage to pay benefits in case of illness or other disability for not more than 26 weeks in a year or for a single disability period. Benefits would be at a rate of two-thirds average weekly wage but not less than \$20, with a seven day waiting period.

Coverage could be provided by the state accident fund, by self-insurance of employers, or through continuance of existing insurance plans. Effective date of the act would be June 30, 1958.

The state fund would be maintained with a balance of not less than \$3 million or more than \$6 million.

The bill was referred to the house labor committee, a burial ground in past sessions for similar plans.

James Laney Addresses San Antonio A&H Assn.

At its February meeting, San Antonio Assn. of A&H Underwriters heard James Laney, American Hospital & Life, describe techniques which can be used in group sales.

Texas A&S Assn. Elects; Austin Local Reorganizes

Texas Assn. of A&H Underwriters has elected Herman Andrew, Business Men's Assurance, president; W. A. Borden, American Hospital & Life, and Glenn Brooks, Southland Life, vice-presidents, and O. D. Harlan, National Travelers, secretary.

Directors and officers of the state association attended a reorganization meeting of Austin A&H Underwriters Assn. Ralph Keller, American General

Life, was elected president of the Austin local, and John Scheffel, American Hospital & Life, secretary-treasurer.

A&S Forum Hears Martin on Insurable Cancer

Dr. Clem Martin, medical director of Continental Casualty, addressed the February meeting of the Illinois A&S Underwriters' Forum on the topic, "Insurable Types of Cancer."

Stressing the difference between benign and malignant cancer, Dr. Martin gave several examples of cancer which are "insurable". A basal cell, a localized patch of skin cancer, is no further hazard when removed, he said. Once removed, there is no further hazard for either A&S or life coverage. Dermoid cancer is benign unless it occurs in the chest, and may be covered, he said. Teratoma requires a doctor's statement of no malignancy for coverage, while papoma may be covered if there is a history of none for two to three years. An applicant who has a history of a squamous cell cancer may be insured if it has been removed, and there has been no recurrence during a four to five year waiting period, Dr. Martin said. This should also have a physician's statement.

Another form of cancer which occurs frequently in women is cancer of the womb, or carcinal micatal. If this has been treated, usually by removal of the uterus or ovaries, it will not be malignant, and there is no need to refuse coverage, Dr. Martin stated.

Any history of malignant cancers, such as cancer of the stomach, most common among men, should not be covered until at least five to 10 years after a reported cure, Dr. Martin said. After 10 years, he said, risk is about the same as if there were no previous history of cancer.

Dr. Martin also pointed out that a cancer patient will spend an average of 10 weeks in the hospital no matter how bad or minor the cancer is.

Form Southwestern Mich. A&H Assn. of Battle Creek

BATTLE CREEK—Southwestern Michigan A&H Assn. was formed here last week at an organization session attended by some 45 agents. Roy G. Mathews, Federal Life & Casualty, was named the first president. Other officers are: Vice-president, Jack Follett, Monarch Life, Kalamazoo; treasurer, Duane Burnham, Metropolitan Life, Kalamazoo.

James Cooper, president of Michigan A&H Assn., with which the new organization is affiliated, and S. Horman, vice-president of Time, were other speakers.

L. I. Casualty Formed

Long Island Casualty, an A&S company, has been incorporated. Its authorized capital is \$50,000, and it will maintain offices at Garden City, L.I. Counsel of the new firm is Roosevelt & Freidin, with which Franklin D. Roosevelt Jr. is connected.

Milwaukee GAs Hear Psychologist

MILWAUKEE—Robert E. Mainer, consulting psychologist with Humber, Mundie and McClary, Milwaukee, spoke at the monthly dinner meeting of Milwaukee Life Managers and General Agents Assn. Mr. Mainer is a consultant to management on executive development, organizational planning, personnel and applied psychology.

Joseph Graves, with the St. Louis agency of General American Life, won all production awards for his class in the Purdue course. The award was made at a recent commencement exercise at Purdue.

Welcome to Roanoke, N.A.L.U.!



Blake T. Newton, Jr.,
President of Shenandoah,
Pledges full cooperation

Because the National Association of Life Underwriters is instrumental in improving life insurance standards and is ever ready to render assistance to its members throughout the nation, Shenandoah Life is proud to participate in the work of the association and to welcome its members to the Roanoke meeting.

Naturally, Shenandoah also is proud of its own representatives who are serving on N. A. L. U. committees, both on a local and national level. Working together, new and even higher standards of service can be achieved by N. A. L. U. in the common objective of greater life insurance service to the public.



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Insurance Company

Home Office • Roanoke, Virginia

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Blues in Minn Fight Insurance Supervision

ST. PAUL—Blue Cross and Blue Shield organizations in Minnesota are putting up a vigorous fight against bills in the legislature to tax and supervise them the same as insurance companies. One bill, proposed by the governor's tax study committee, would make the Blue Cross subject to the 2% premium tax assessed against insurance companies while another bill backed by the state AFL-CIO would make Blue Cross subject to the supervision by the insurance commissioner.

The contention of the Blue Cross is that it is not insurance but rather the sale of hospital care on a prepayment basis. Blue Cross argues it is a plan to cover services for subscribers, not to indemnify them for loss as insurance does. Blue Cross also argues that if it were put under the supervision of the insurance department it might have to make payments directly to subscribers instead of to hospitals as is now done.

Proposed Mortality Table Called Inadequate, Untimely

The proposed new mortality table X17 was described as having inadequate margins and not being in the interest of the industry at this time by Lawrence M. Cathles, past president of American Institute of Actuaries and chairman of North American Re, at a meeting of San Francisco Actuarial Club.

"Mergers and failures on a large scale are not impossible. And so it occurs to me at this time that the proposal of a new mortality table encouraging reduced premiums is not solely the concern of actuaries but also of the executive management and ultimately of stockholders of companies . . . If I am right in assessing the over-all situation we are facing, it is too great a responsibility for actuaries to take without the full support of management," Mr. Cathles declared.

He said the advantages of the new table have been widely publicized but that some of them are questionable.

State insurance officials, he said, are quick enough to step in with corrective measures. "I only hope that in this case the majority of them will realize that prevention is better than cure and at least give the whole industry time to investigate fully before deciding," he said.

Midland Mutual Names Franklin Man-of-the-Year

For the second consecutive year, A. Stuart Franklin of the Sam Van Elgort agency, Beverly Hills, Cal., has been named "man of the year" by Midland Mutual Life. Philip Fass of the same agency and Leonard J. Goist Jr., of the Lloyd T. Stillson agency, Youngstown, O., have won "first-year star" honors.

In recapturing his award, Mr. Franklin led the entire Midland Mutual field force by a wide margin. Selection of the winner of this award is based primarily on life paid-for volume, life and A&S annualized premiums and persistency. Mr. Fass and Mr. Goist ranked at the top of the list of Midland Mutual agents in their first contract year.

FCC Gives Travelers Nod for TV in Hartford

Federal Communications Commission has awarded rights to TV channel 3 to Travelers Broadcasting Corp., which plans to go ahead on construction as soon as materials are available. This is a very high frequency channel.

Hartford Telecasting Co., which has sought to get the FCC award of the channel in opposition to Travelers, has an appeal pending before FCC.

Leaders Plan to Attend Inter-American Parley

Among the leading life insurance people from the U. S. planning to attend the first inter-American conference May 13-16 at Caribe Hilton hotel, San Juan, Puerto Rico, are:

Lester O. Schriver, managing director of National Assn. of Life Underwriters; Jack Nussbaum, Massachusetts Mutual, Milwaukee, president of NALU; Loran Powell, managing director of Life Underwriter Training Council; Donald Baker, managing director of General Agents & Managers Conference of NALU; Frederic M. Peirce, managing director of LIAMA; Davis W. Gregg, president of American College, and O. F. Stafford, president of Pilot Life. Several leaders from Latin America also are planning to attend.

The meeting is sponsored by NALU and the Puerto Rico association.

Life Insurance Investors Declares 23 Cent Dividend

Life Insurance Investors, Inc., a Chicago life insurance stockholding company, has declared a dividend of 23 cents a share, payable March 28 to shareholders of record March 15. The dividend represents 10 cents from net profits on the sale of securities and 13 cents is the distribution of net income from interest and dividends. The company paid a dividend of 18½ cents last year.

Membership in GAMC Passes 3,000 Mark

Membership in General Agents & Managers Conference of National Assn. of Life Underwriters for the first time has passed the 3,000 mark by March 1, up 70%.

L. V. Drury, manager of Sun Life of Canada at Philadelphia, membership chairman, expects to reach the membership goal of 4,500 by the time of the midyear meeting and 6,000 by the end of the year.



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can mean big money to you!

...through Life and Casualty BANTAM GROUP INSURANCE

Yes! Every store, office, plant and business firm in your territory employing 10, 15, 25—even as few as 5* people—can now qualify for Group Hospitalization, Surgical Procedure, Polio and Life insurance coverage under the L & C Bantam Group Insurance plan. Think what this can mean to you in added income!

Where formerly only big businesses enjoyed this coverage, today you can offer thousands of smaller firms Group Insurance Coverage under the L & C Bantam plan with the backing and reputation of this Billion Dollar company!

*Life only where state laws permit.

We'll help you sell Big Business too! Now both large and small business firms can avail themselves of L & C Group Insurance Coverage. And we will help you sell them! L & C rates are competitive, our simple administrative procedure cuts "red tape," and the unusual flexibility of L & C coverage makes our Regular or Bantam Group Insurance of interest to every firm. Write or mail the coupon for FREE descriptive literature TODAY. No obligation.

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Equitable Society Puts Big Electronic System to Work at Home Office

Equitable Society has put into operation at its home office an International Business Machines Corp. model 705 electronic data processing system which can retain 40,000 numbers or letters in its high speed memory unit, as compared to 20,000 characters in earlier models now in use. This increased capacity makes Equitable's 705 unique in the life insurance business.

The company began planning for electronic data processing equipment in 1952. A medium sized system, the IBM type 650, was installed three years later. Two more 650s were added later.

The 705 is being used at first for work which already has been adapted to electronic processing through the 650 installations. Its use will be extended into new areas through a gradual transition over several years. Its applications ultimately will cover substantial parts of the routine administration connected with all phases of business, according to Chairman Ray D. Murphy.

Walter Klem, senior vice-president and actuary, is in charge of long range planning and conversion to the 705. He said some early 705 applications to ordinary insurance administration will include dividend calculation and maintenance of dividend records, calculation of agents' commissions and preparation of commission statements, preparation of agency production reports and calculation of agency and unit managers' compensation, premium billing and premium collection accounting.

Further use of the 705 in ordinary, group and group annuity administrative work will follow, Mr. Klem said. The system is expected to become available gradually for accounting, actuarial research, statistical analysis and other work involving large amounts of computing. It ultimately may have a place in financial and investment analysis and in support of operations research and management control activities.

Responsibility for operating the 705 is assigned to the ordinary insurance administration department, organized in 1956 under Earl T. Helsel, senior vice-president, in anticipation of its installation. The department was formed by bringing together components of other departments in order to centralize various ordinary insurance functions which are providing the biggest part of the 705's work load in the early stages.

Systems development for the 705, programming and technical guidance are among the duties of the methods research department, also newly established under the direction of David H. Harris, 2nd vice-president. The 30-member research and programming staff was built in a 4-year period almost entirely from within the company. It includes people with the wide variety of backgrounds and skills needed to plan for 705 applications in many different areas.

Liberty Uses Song in Direct-Sell Approach

GREENVILLE, S. C.—Liberty Life, which is using singing commercials in its 1957 TV and radio campaign, is one of the first life companies to utilize this approach. A direct-sell treatment on the theme, "The important things in life call for Liberty Life"

will be given with a folk-ballad type of jingle, sung by four voices with piano accompaniment, as background for a series of filmed TV spot commercials.

Scott-Textor Productions of New York has developed the theme into singing commercials, the first of which, in cartoon style, shows a family benefited by Liberty Life in four ways, with emphasis on the agent at the fade-out.

IAAHU to Offer Tape Recorded Sales Talks

A new plan to make tape recorded sales talks and educational material available for individual use and agency and association meetings has been set up by the International Assn. of A&H Underwriters circulating library.

International's Chicago office will be headquarters for the library to process orders for the tapes. The orders will be relayed to the recording company at St. Paul, which will ship the tapes to the purchaser, usually within 48 hours. Each tape will contain two talks, running approximately 45 minutes each, and the total charge including shipping costs, will be \$5 per reel.

Bruce Gifford, IAAHU managing director at 330 South Wells street, Chicago, may be contacted for further information.

N. Y. Insurers Offer Help to Flood Victims In Ky.

Equitable Society and New York Life have made considerable use of display space in Louisville newspapers to tell policyholders in the flood stricken area of eastern Kentucky that the companies wish to assist policyholders by extending grace payments an additional 31 days. This covers normal grace period that would have expired Jan. 24 and March 8, inclusive, in the case of Equitable Society, and Jan. 25 to Feb. 25 in case of New York Life. Many policyholders in the area are in grave distress and have lost even their policies. Despite this, New York Life has indicated its ready willingness to extend policy loans and have also stated that group policies will not be terminated for non-payment of premiums over a reasonable time. Equitable has emphasized that policyholders in need of cash to meet emergency needs have merely to get in touch with the Louisville office.

Insurograph Division Sold by Skyland to Life Companies Inc.

Skyland Life of Charlotte, N. C. has sold its Insurograph division for \$4 million to Life Companies Inc. of Richmond, Va. A considerable part of the proceeds will be used to finance a more rapid expansion in the life insurance business. Tentative plans call for entering Tennessee and Virginia this year. The company now operates in North and South Carolina, Georgia, Alabama, Florida and Mississippi.

The Insurograph division distributes air travel insurance policies over the counter and through vending machines at airports. President Waldo C. Cheek graph division has no relation to the company's growth from \$10 million in of Skyline said the sale of the Insuroforce in 1953 to \$41 million last year, the volume having been built entirely from income from the division.

Curtis Joins Milliman & Robertson

James A. Curtis, formerly manager and actuary of the pension department of the Seattle office of Marsh & McLennan-Cosgrove, Inc., has joined the Seattle office of Milliman & Robertson. Mr. Curtis is an associate of Society of Actuaries. He started his actuarial career with California-Western States Life.

Gastill of Conn. General Wins Farrell Trophy

LOS ANGELES—Walter G. Gastill, southern California manager for Connecticut General Life, recently was awarded the Will G. Farrell Achievement Trophy at a luncheon sponsored jointly by the life insurance committee of Los Angeles Chamber of Commerce, Los Angeles Life Insurance Managers Assn., and Los Angeles Life Underwriters Assn.

Charles J. Zimmerman, president of Connecticut Mutual, guest speaker at the luncheon, declared that 1956 was the best year experienced in all ways and optimistically reported that the outlook indicated that 1957 would still be better.

Former recipients of the Farrell award who were present at the luncheon were: Roy Ray Roberts, 1950; Kellogg Van Winkle, 1951; Charles E. Creeton, 1952; John R. Mage, 1954, and John W. Yates, 1955.

AFL-CIO Urges Wider SS Hospital, Surgical and Monthly Benefits

Executive council of AFL-CIO has adopted a resolution asking that hospital and nursing home service be provided for everyone over age 65 and

surgical care for all persons eligible for social security survivors' benefits. A 10% increase in social security benefits, with a minimum monthly boost of \$5 also was asked.

The resolution said the hospital plan for retirees and their survivors could be supported by a total increase of 1.4% in the tax paid by employers and employees. If the first \$6,000 of wages were made subject to social security taxes, instead of the first \$4,200 as at present, the tax increase could be 1%. Employers and employees now each pay 2 1/4% of payrolls in social security taxes.

Although the labor leaders probably do not expect Congressional action on their proposals this year, they advanced the resolution as a talking point in the expectation that something might be done in 1958, an election year.

Western Life of Mo. Adds to Board

In view of its expansion plans, including entry into several additional states, Western Life of Missouri has elected four new directors. They are Frank M. See, who for many years was the St. Louis general agent for New England Life; M. W. Maxwell, assistant treasurer of Western; Stanley E. Byars, Western's chief accountant, and Clarence M. Stewart, a banker.

Why we hesitate to advertise this new policy . . .

A word about

"EXECUTIVE SPECIAL"

\$25,000 minimum policies.

"Executive Special" policies are not all the same. They can be quite different.

Though the premium is very low, Postal's new "Executive Special" can not be compared with others with the same name on a premium basis alone. The entire contract must be compared . . . then you'll find that Postal has not cut back on any of the liberal benefits now in its other policies — nor has it cut commissions!

Because the entire contract must be compared to appreciate it, we hesitate to advertise just the highlights. But you should know —

Whole Life paid up at 90.

Commission rate — 55% plus nine 5's.

Written sub-standard to 500%.

Complete range of very liberal settlement options.

High guaranteed cash values.

Family Income and level term riders can be added — same commission on riders as basic policy.

Participating.

Issued from age 10 through 70.

Very competitive net costs!

Premiums: age 35, \$23.12; 45, \$32.97; 55, \$49.45.

We believe this policy is the ultimate in competitive contracts, but for the complete picture, we urge you to contact one of our General Agents.

Postal Life of New York

GEORGE KOLODNY, President • 511 FIFTH AVE., N. Y. 17, N. Y.

Stress Family Security in Pan-Am Ad Campaign

Pan-American Life's 1957 advertising campaign in the U. S. will have as its theme, "Put Yourself on Your Own Payroll First!"

The advertisements will point out that the larger portion of the average man's income is spent before he can provide for his personal protection and family's future security. Life insurance is the solution to the problem. The campaign will include five insertions in 47 newspapers covering a 26-state area and four insertions in *Newsweek*.

The campaign in Latin America will stress the idea that life insurance is the only real protection against the usual financial ills resulting from the death of the family breadwinner. It will include seven insertions in the Spanish edition of *Life* and six in the Spanish edition of *Readers Digest*.

Advertisers to Hold Seminar, Workshop for 200 Companies

Life Advertisers Assn. has appointed Donald E. Lynch, director of public relations of Mutual Benefit Life, to conduct a public relations seminar at the Princeton inn, Princeton, N. J.,

April 28-May 2, and Herbert J. Kramer, assistant advertising manager of Travelers, to head a sales promotion workshop at the Marott hotel, Indianapolis the week of June 10. The two projects are part of a service to advertising, sales promotion, publication and public relations staff members of more than 200 LAA member companies.

LIAMA Book Helps Agents Get Interviews

LIAMA has published an agents' sales promotion guide called *Breaking the Ice*, by John L. Lobingier Jr., LIAMA's director of public relations. The aim of the 112-page book is to help the agent create ideal conditions leading to an interview. The book includes prestige building through telephone, novelties, gifts, letters, printed promotion, visual aids, cards, letterheads and other media.

LIAMA first released this book with the December, 1956, *Manager's Handbook*. With the March issue, a complete work project for agents will be released, together with a trainer's memorandum based on *Breaking the Ice*, which was designed for subsequent inclusion in LIAMA's Agent Development Program.

Equitable \$2 Million Plan Ups Benefits for Major Leagues

Equitable Society has again been chosen as insurer for the major leagues baseball players benefit plan by unanimous vote of the major leagues pension committee, which met in Miami. The plan which will cost \$2 million a year to be paid by radio and TV fees for games, plus contributions from active players at the rate of \$2 a day during the playing season, becomes effective April 1, exactly 10 years after Equitable was given the original contract.

The minimum retirement benefit for men with five years of major league service, retiring at age 50, is \$88 a month, as against the original \$50. A 10-year member draws \$175 a month, originally \$100. A member may choose to retire at a later date and receive additional benefits up to \$550 a month, the maximum for 20-year men retiring at 65.

Other improvements include liberalized death benefits, as well as disability and major medical for players, coaches, trainers and their dependents.

Mississippi Commissioner's Order Denies Licenses to Investment Backed Insurers

Commissioner Davis of the Mississippi insurance department has issued an order stating that no insurer whose capital and surplus is supplied out of funds derived from the sale of stock in an investment company will be licensed in the state. The order provides, however, that any such insurer may be licensed if the charter of the parent company was approved by the secretary of state prior to Feb. 25, 1957, and if application is made for an insurance company license within six months of such approval.

Mr. Davis made the exception because several investment firms are in the process of selling stock for the formation of insurers at the present time, and a retroactive ruling would work a hardship on Mississippi stockholders.

He said, in issuing the order, that it is not intended to hinder or discourage the organization of new insurers in the state. It will, however, require stock sales be made in the name of the insurer rather than an investment firm, and that such sales be subject to insurance department supervision.

Two LIAMA Prospecting Books are for Ordinary, and Combination Agents

LIAMA has published two books on prospecting, based on findings of a LIAMA research program. One is for the combination agent, the other for ordinary agents.

Profitable Prospecting for the Combination Agent, compiled by LIAMA Senior Consultant Stanford Y. Smith, contains specific methods which have worked for leading combination agents in building debit and ordinary sales.

Let's Do Something About Prospecting, prepared by LIAMA Staff Editor James L. Howard Jr., presents to ordinary agents a complete system for creating and maintaining a flow of prospects.

Pacific Mutual to Expand Norwalk, Cal., Shopping Center

Pacific Mutual Life has planned a \$565,000 addition to its big Norwalk Square shopping center at Norwalk, Cal. This latest expansion will bring the company's total investment in the shopping center to \$4,705,000. The center was first opened in 1952.

Horn Seeks Stouter Agent Standard in Ala.

Superintendent Horn of Alabama held a conference in Montgomery with representatives of the business to discuss legislation which he wants that would raise qualification and regulation of agents. He said that presently, under the loose system of licensing agents in the state, about 54,000 will qualify this year—on payment of \$5 each to sell all kinds of insurance. The legislation he is proposing would cut this number to 40,000 at least by eliminating many unqualified and unnecessary agents including those of the "hat band" and "convenience" variety.

Many of the insurance representatives on hand opposed the draft of a bill which Mr. Horn had written out. They objected to it because they felt it gave the superintendent too much control over present agents as well as those who might apply to enter the business in the future.

His bill would create an Alabama insurance advisory board, its members to be appointed by the superintendent. The board would promulgate rules and regulations consistent with law for examining, licensing and regulating solicitors, agents and brokers.

Mr. Horn said that he wanted the entire business in Alabama to have one bill for agency qualification and regulation instead of a multitude of bills and a multitude of laws affecting different segments of the business.

Wilbur K. Allen of Birmingham, president of Alabama Assn. of Insurance Agents, and Frank P. Sanford, president of Liberty National Life of Birmingham and head of the newly formed Alabama Assn. of Life Insurance Companies, both commended Mr. Horn for his efforts.

Dallas Agents Sponsor 1957 Cancer Crusade

Dallas Life Underwriters Assn. is sponsoring the 1957 Dallas County Cancer Crusade. Dr. Jerry Miller, chief of the department of radiology at Baylor hospital, Dallas, addressed the February meeting of the women's auxiliary of the Dallas association and pointed out that while 30% of breast cancer causes are being cured, the rate would be closer to 80% if every woman would learn the methods of detecting early symptoms of this disease. Mrs. Woodie Wood is president of this group.

Tax Workshop Course Covers Variety of Life Insurance Topics

The course in tax problems in life insurance and estate plans being given by Tax Workshop school, 480 Lexington avenue, New York, covers these topics:

Taxation of life insurance and annuities owned by individuals, purchase of insurance with low cost tax dollars, interest and other deductions, buy-sell agreements, use of insurance in marital deductions, effects of divorce or separation, insurance and estate tax economics, practical problems, tax liens and creditors' rights and danger areas.

Lecturers include Solomon Huber, general agent of Mutual Benefit Life at New York, Robert J. Lawthers, director of benefits and pension business of New England Life, Saul Lesser, assistant counsel of United States Life, and several New York lawyers. Classes are being held Wednesdays from 6:30 to 8:30 p.m. during the spring and fall semesters.

Connecticut General Life has moved its Maine headquarters at Portland from 443 Congress street to newly-completed, larger quarters at 550 Forest avenue.

High Quality Endowment for
PENSION PLANS?
OF COURSE!

Wholesale Underwriting on
PENSION PLANS?
OF COURSE!

Plus something for those employees in pension-plan-adopting firms who are not yet qualified to come under the pension plan...

**A BIG NEW ADDITION TO
PENSION PLAN SELLING TOOLS!**

Other Examples of 30 ANICO "On Target"
SALES LEADERS

*FULL FAMILY PROTECTOR PLAN

Complete family coverage, new children included.
Fathers age 20 through 50
Children covered to age 20
Competitive premium

*EXECUTIVE SPECIAL

\$25,000 minimum
Extra low premium—high values
*Complete Sub-Standard Consideration. Franchise. Bank Draft. Non-Medical.

Openings everywhere in territory for REPRESENTATIVES, BROKERS, SPECIAL BROKERS. Inquiries about these or other openings for those with special qualifications and experience will receive prompt attention and answer. For information address Coordinator of Sales.

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CALVESTON, TEXAS

OVER 3 BILLIONS, 550 MILLIONS IN FORCE



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HOME OFFICE CHANGES

American United Life

Clarence A. Jackson, president of American United Life since 1952, has been elected chairman of the company, succeeding the late De Witt Carter. Another appointment of American United Life is David G. Wylie, a board member since 1951, who has been elected to the newly created office of vice-chairman. Earl B. Pulse, Columbus, Ind., president of Union Starch & Refining Co., has been elected a director of the company.

C. A. Jackson

Lincoln National Life

Five promotions have been announced by Lincoln National Life.

James L. Martin has been named division manager of the underwriting department. He has been with the company since 1935, and was appointed senior underwriter in 1949.

Vernon H. Otte has been appointed manager of buildings, assuming general supervisory responsibility for planning, construction and operation of home office and branch buildings. After joining Lincoln National's accounting and mortgage department in 1928, he moved to the building and maintenance department in 1948 and became building superintendent in 1950.

Succeeding Mr. Otte as building superintendent is James F. Ehringer. Mr. Ehringer has been with the company since 1952 and became assistant building superintendent in 1955.

George T. Boyer and Aldhelm J. Eckert have been appointed assistant managers in the investment department. Mr. Boyer joined Lincoln National last year as a securities analyst, and Mr. Eckert joined the company in 1954, also as a securities analyst.

Robert A. Jensen has been appointed a district superintendent of agencies of Lincoln National Life. He has 10 years experience as a home office representative in group insurance, first in Milwaukee and the last five years in South Bend, Ind.

College Life

Frank M. Moore, formerly president of College Life of Indiana, was elected chairman of the board, and John Burkhardt, formerly vice-president, was named president to succeed Mr. Moore. Other advancements and appointments by College Life include Robert C. McDermond, former secretary, who was elected vice-president-administration.

Philadelphia Life

James H. Burdick has been elected agency vice-president and John F. Burns assistant secretary. Philadelphia Life has also appointed Philip H. Bentz assistant to the president, Alan L. Smith director of agencies, Joseph F. Garland superintendent of agencies, Rudolph Pellegrini assistant to the vice-president, and Ralph R. Lamb editor of publications.

Pacific Mutual Life

Earl R. Smith has been appointed supervisor of agencies of Pacific Mutual Life. Mr. Smith started with Pacific Mutual in 1951 in the field and before coming to the home office was an agency supervisor at Tulsa.

North American Accident

Four new members have been elected to the board of North American Accident of Chicago. Three of the new directors also are on the board of Nationwide Corp. of Columbus, which last year bought one-third interest in North American. These

three are Paul C. Raymond, vice-president of American National Bank & Trust of Chicago; Paul D. Grady, Kenly, N. C., chairman of the board of Nationwide Mutual Fire, and W. E. Stough, Galion, O., chairman of People Development Co. of Columbus. The fourth new director is Henry F. Rood, vice-president and actuary of Lincoln National Life.

Equitable Society

Rosario Grillo has been appointed assistant counsel in the law department investments. He joined Equitable as an attorney with the law department-investments staff in 1956. He is also a licensed life agent.

New England Life

S. Kennedy Tully, who has been in radio and newspaper work since 1934, has been appointed public relations assistant. He brings to New England Life a background which includes work for United Press and Christian Science Monitor.

John Hancock

Dr. C. Marshall Lee has been appointed assistant medical director, to function under Dr. Frank A. Warner, vice-president and medical director. Before joining John Hancock, Dr. Lee was associate professor of surgery at University of Cincinnati General hospital.



Dr. C. M. Lee

Security Mutual of Binghamton

William D. Berg has been appointed research actuary. Before joining Security Mutual, he was senior technical assistant of the actuarial department of Mutual of New York. He is a fellow of Society of Actuaries.

Baltimore Life

Henry E. Niles, vice-president and director since 1943, has been elected president to succeed Albert Burns, president since 1942, who has been elected to the newly-created post of chairman. After working intermittently with Baltimore Life from 1918-1922, Mr. Niles rejoined the company in 1940 as superintendent of agencies. Mr. Burns joined the company 55 years ago as a junior clerk.

Liberty Life

William F. Evans has been elected treasurer to succeed William P. Anderson who has retired. A member of Liberty Life's home office staff since 1938, Mr. Evans has served in various capacities in the accounting, cashier's, and securities departments. Last summer he was advanced to assistant

treasurer. Mr. Anderson joined the company in 1932 and was treasurer of both Liberty Life and Southeastern Life before their consolidation in 1942, forming the present company. Continuing as treasurer, he was head of the investment service department at the time of his retirement under the retirement annuity and pension plan.

N.A.L.&C. to Vote on Dividend

Stockholders of North American L.&C. will meet March 22 to vote upon increasing the capital of the company from \$500,000 to \$1 million by means of a stock dividend, which, it is proposed, shall be paid on or before April 15 to stockholders of record March 25.

State Life Liberalizes

Double Indemnity Coverage

State Life of Indianapolis has further liberalized coverage in its new double indemnity and premium waiver disability provisions to include death by suicide, or while committing or attempting to commit an assault or felony, or death due to infirmity or disease or from an act of war, or death occurring as a result of air travel while engaged as a pilot or employee of an air line.

According to William J. Sullivan, State Life actuary, a recent survey of 149 companies showed that 93% had more restrictions in their accidental death benefit provisions than does State Life.

ILLINOIS MUTUAL CASUALTY COMPANY'S

OUR POLICIES

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Accident and
Sickness

Hospital Medical
and Surgical

Non-Cancellable
and Guaranteed
Renewable to Age
65 Accident and
Sickness

Major Medical

Cancer and
Specific Disease
Expense

Franchise Group
and Key-man
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TO AGE 65 ACCIDENT AND SICKNESS

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Florida • Georgia • Illinois • Indiana • Kentucky • Louisiana
Maryland • Michigan • Missouri • New Mexico • Ohio • Pennsylv-
vania • Tennessee • Virginia • West Virginia • Dist. of Columbia

Paul Revere Life

Norris Erickson, general agent at Spokane for four years, has been named general agent at Oakland, to succeed Howard W. Carsten, now general agent at Pittsburgh. Before joining Paul Revere, Mr. Erickson was with Lincoln National at Madison, Wis., rising to agency supervisor, and in 1950 transferring to Oakland.



Norris Erickson

Prudential

Frank R. Felhein, formerly staff manager in the Cabrillo district of San Diego, has been named training consultant at the Los Angeles regional home office of Prudential. He joined the company at San Diego in 1950.

Wallace A. Slaughter, manager for Prudential at Kokomo, Ind., has been promoted to agency service representative for northern Indiana. He has been with Prudential 25 years, 22

of them at Kokomo.

Ben R. Bauer, staff manager for Prudential in the west Toledo office for the last three years, has been promoted to consultant in the field-training division of the company's Jacksonville regional home office.

An office headed by Miss Mary C. McKeon has been opened at 9 Park street, Montclair, N. J., as a branch of the Bethea agency at Newark. Miss McKeon is the first woman in New Jersey and the second in the U. S. to receive such an assignment from Prudential. She has been a division manager of the agency in charge of its first women's unit since 1952, the first woman in the company to hold such a post. This group, seven of its nine members being women, accompanied her to Montclair. Miss McKeon, with Prudential since 1946, is a CLU and WQMDRT qualifier. She is executive vice-president of New Jersey Assn. of Life Underwriters and past president of the Newark association, the first woman to hold either job.

COMPANY & AGENCY CHANGES

Massachusetts Mutual

Robert S. Phillips has been appointed general agent at Fresno, Cal., to succeed James Stramler, who has resigned to join Prudential.



R. S. Phillips

Mr. Phillips, manager of West Coast Life at Fresno for the past year, was supervisor of Pacific Mutual at Modesto, Cal., from 1953 to 1956.

A district group office has been opened in Miami, at 203 South West 13th street. A. Bradford Mosher, with Massachusetts Mutual at Jacksonville for several years, has been named district group representative in charge of sales and service at the new office. The entire operation is under the supervision of Stanley Johnsen, southern regional group manager.

Charles L. Aderholt has been named district group representative at Jacksonville to succeed Mr. Mosher.

Kansas City Life

Stanley H. Wasser has been appointed general agent for Broward, Dade and Monroe counties, Florida, with headquarters at 809 Ainsley building, Miami. Mr. Wasser has been in insurance at Miami for a number of years and has considerable managerial experience. For four years he was with the veterans administration as senior contact representative and regional insurance officer.

Guardian Life

Richard L. Dodson has been appointed manager of Guardian life at Shreveport. He entered the business with General American at Houston in 1946 and went to the home office to work on field training and sales promotion in 1952.



R. L. Dodson

He was transferred to Shreveport as manager in 1956. Mr. Dodson succeeds F. C. Brinkmann Jr., dean of Guardian managers with more than 40 years' service. He has retired from management responsibilities under the provisions of the regular retirement plan, and will devote his time to serving personal clients.

Great-West Life

J. W. Scott has been appointed supervisor of the southeastern Ontario branch of Great-West Life at Kingston. Mr. Scott joined the company in 1956 at Kingston.

Another Great-West appointment is A. B. McGaw, who has been named assistant group supervisor at Toronto. Mr. McGaw joined the company at the head office in Winnipeg in 1946 and was transferred to Toronto in 1951 where he was appointed a group representative last year.

Life & Casualty of Tenn.

E. L. Fulmer, state supervisor, has been promoted to district manager at Brownwood, Tex. Promoted to staff managers of Life & Casualty of Tennessee were E. G. Harrison, Montgomery, Ala., N. W. Trexler, Charlotte, O. G. Embry, Kansas City; R. F. Coker, Miami, and H. F. Grey, Florence, S. C.

Life of Virginia

Edwin W. Scott, associate manager at Richmond, has been promoted to

field training supervisor. He will supervise the training of Life of Virginia agents in Virginia district offices.

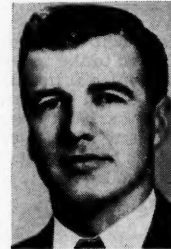
Charles L. Ligon, who joined the company in 1949 at Richmond, has been promoted to associate manager, succeeding Mr. Scott.

Bankers Security Life of N. Y.

Samuel Flomen has been appointed general agent of Bankers Security at Philadelphia. Harold L. Lipkin is manager.

Washington National

Wayne Sproule has been appointed general agent at Phoenix, Ariz., for Washington National with offices at 1628 East Osborn Road. Mr. Sproule entered insurance in 1950 in Wisconsin and in 1953 moved to Phoenix where he continued as a personal producer and trainer prior to joining Washington National.



Wayne Sproule

Equitable Society

George H. Olson, assistant cashier since 1946 at Sioux Falls, S. D., has been named cashier at Oakland, Cal., to replace Wilbur S. Campbell, retired for ill health. Mr. Olson joined Equitable as cashier's clerk at St. Paul, Minn. in 1928.

Equitable Society has named as unit managers Francis F. Fata, Tex.; John P. Linger, Sunnyvale, Cal.; John W. Parker, San Rafael, Cal.; Richard F. Matthews and Lyle B. Scott, both Glendale, Cal., and Clarence L. Porter, Amers, Ia.

Aetna Life

James D. Schoettler has been promoted to assistant general agent at Fresno. He joined Aetna Life at Fresno in 1950 and later was promoted to supervisor.

Stanley W. Schember has been appointed district manager of the new San Jose office of the San Francisco general agency. He joined Aetna Life at San Francisco in 1946 and advanced to assistant general agent.

Mutual Trust Life

Gerald J. Franksen has been named general agent at St. Paul for Mutual Trust Life. The new general agency offices will be at 402 Pioneer building. Mr. Franksen entered insurance in 1946, and since that time has had experience as personal producer and agency supervisor and as manager at St. Paul for another life company.

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Company _____

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City _____

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State _____

March 15, 1957

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Phoenix Mutual Life

Charles Arnold has been named supervisor for Phoenix Mutual Life in northwestern Ohio with headquarters at the Toledo agency.

Midland Mutual Life

Harry V. Winfree Jr. has been appointed general agent at Quantico, Va., for Midland Mutual Life. His territory will include six northern Virginian counties. A life member of the Million Dollar Round Table, Mr. Winfree has been in insurance for 11 years.

Lincoln National Life

Thomas J. Farrell has been appointed supervisor of the Ulrich-Johnson agency of Lincoln National Life at Oakland, Cal. He joined the company in 1954.

Connecticut General

John R. Adams and Robert B. Grote have been named assistant managers at Hartford. They have been Connecticut General staff assistants at Hartford.

Mutual and United of Omaha

Rex D. Linkous has been appointed sales manager and J. Gail Porter service manager of the Indiana office at Indianapolis of Mutual Benefit H&A and United Benefit Life. They replace general agent John McGurk who is retiring after 25 years with the two companies.

Mr. Linkous has been with Mutual since 1948 when he joined the Huntington, W. Va. office as a salesman. He was made district manager at Charleston in 1951 and in 1953 joined the home office sales training staff as southern regional director at Macon, Ga. From 1955 to his latest appointment,

Southern Round Table Boasts Top Program for May 12-14 Meeting

Southern Round Table of Life Advertisers Assn. promises a "dividend paying" program at its May 12-14 meeting at the Edgewater Gulf hotel, Biloxi, Miss. The meeting will be devoted to a problem in public relations, consumer advertising, sales campaigns, and business gifts. Each subject will be developed by audience participation under the leadership of a specialist in the subject.

Another session will be a panel discussion on "celebrating specific events." Panel members will be announced later.

Harry Nelson, Life & Casualty of Tennessee, is president of Southern Round Table. Jay Leavell, Guaranty Savings Life of Alabama, is in charge of the committee planning the program.

ment, he served as director of field operations.

Mr. Porter has been with the companies for nine years, beginning in the home office accounting department. In 1952 he was transferred to the allocation department and a year later was promoted to administrative assistant. In 1954 he joined the newly formed internal audit department and later that same year moved to life training department in an administrative capacity.

State Mutual Life

Victor L. Grigal, assistant superintendent of agencies, has been named



Victor L. Grigal



John R. Black

agency manager at Baltimore, to succeed Charles W. Earnshaw. A graduate of the Wharton school, Mr. Grigal entered the Life business in 1950 with John Hancock at Baltimore. Before joining State Mutual, he was with Penn Mutual, having started in 1953 as supervisor at Philadelphia, and later advancing to assistant director of training in the home office.

John R. Black, former general agent for Lincoln National, has been appointed manager for State Mutual with headquarters in Phoenix. He entered the life business in 1955 with Lincoln National.

Insurers Must File To Do Business Overseas With Armed Service Personnel

WASHINGTON—The Department of Defense reminds life insurers wishing to solicit business from U. S. armed services personnel stationed in foreign areas that they are required to file annual applications for accreditation between May 1 and June 30.

Minimum policy requirements for insurers writing business at U. S. overseas military, naval and air force installations are outlined in the department's instruction 1344.1, issued Dec. 15, 1955, and in title 32, chapter 1, part 141a, of the Federal Register for April 26, 1956. Copies of these references are available from the Chairman of the Life Insurance Board, Office of the Assistant Secretary of Defense (Manpower, Personnel & Reserve), Pentagon, Washington 25, D. C.

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Mutual Benefit Life Giving Priority to Solving Policy Pricing Problem

(CONTINUED FROM PAGE 1)

Johnson of Institute of Life Insurance, guest speaker at the banquet, on the work of the institute, with special reference to the new institute anti-inflation advertising program.

• Received with pleasure a public relations manual prepared by Public Relations Director Donald E. Lynch and his staff.

WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.
THE NATIONAL UNDERWRITER—LIFE EDITION

LIFE UNDERWRITER (Non-Sales)

This rapidly-growing young company has a vacancy for a man with three years or more home office underwriting experience in a direct mail situation. (Selling experience will not qualify.)

This is a permanent career opportunity with significant opportunity for advancement. The permanent location is Washington, D. C. Salary commensurate with experience.

Candidates should be in late twenties or early thirties, and have some college background.

Please reply in writing to Director of Employment, Government Employees Insurance Company, 14th & L Streets, N. W., Washington, D. C.

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Young Actuary, Fellow or Associate, wanted by well known progressive eastern company, 400 million Ordinary in force. Salary commensurate with experience and examination progress. For the man who wants to get into responsible work promptly. Ultimate opportunities not limited to actuarial division. Address Box #12, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Small or medium size Life Insurance Company. Replies confidential. PIONEER INVESTMENT COMPANY, P. O. Box 463, CHICAGO 90, ILLINOIS.

ACTUARIAL POSITION

Position of Junior Actuary open in a Consulting Actuarial office, located in Chicago. Write Box T-17, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Excellent opportunity for young man with minimum 5 years underwriting experience. Company in midwest with approximately one billion ordinary in force. Salary commensurate with experience and training. Address Box T-16, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

Currently resigning General Agent, age 43, desires personal production affiliation in Pittsburgh area. Immediate million and a half yearly production potential. Would consider secondary management responsibilities. Reply confidentially to Box T-20, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

ACTUARY WANTED

Actuarial consulting firm in midwest desires Actuary or Assistant Actuary for expanding staff. Liberal starting salary plus profit-sharing. All replies held in strictest confidence. Address Box T-30, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

• Applauded H. Douglas Palmer, director of agencies, for the fine program he had charge of putting on and for his deft and expeditious technique of presiding as chairman.

• Wound up their conference with a talk by Agency Vice-president Charles G. Heitzeberg in which he urged thorough, conscientious service to policyholders as the best antidote to the kind of competition that keeps the agent awake at night.

Announcement of the new policy contract took no one unaware but there was a surprise, and a pleasant one, in finding that each general agent was being permitted to buy, on a guaranteed issue basis, one of the first of the new policies, in the amount of \$2,500.

The policy is in the form of a booklet, 4¼ by 9½ inches, with 20 pages in addition to the covers. It is a drastic departure from the usual "accordion" format. It is printed attractively in two colors. One page indexes alphabetically the various subjects covered in the policy. Mathematician Paul T. Rotter explained that in addition to the new format, many contractual changes have been made which put in contract form practices in long use by the company. In addition, other rights are made available for the first time. He pointed out that the new policy arrangement makes it easier to pinpoint the policy plusses, including the new ones that have been added.

Mr. Rotter said the committee that developed the policy was instructed to simplify the language.

"We believe that the average policyholder will find this policy easier to read and understand," he said. "While many companies have publicized a reduction in the number of words in their new policies, we have not taken the position that brevity is synonymous with clarity."

Mechanization is used extensively in issuing the new policy and it is so designed to be adaptable to still more advanced machines now on the drafting boards.

Francis L. Merritt, director of training, said records of hundreds of tests of prospective agents show that the man who is debt-ridden should be summarily rejected "unless he is a truly outstanding candidate in every sense of the word."

Mr. Merritt, who has devised an agent selection system based on a battery of standard psychological tests, together with other evaluation techniques, showed how a personality profile based on 33 scoring factors is used to help decide whether a prospective agent should be taken on or rejected. Four of these factors have to do with mental capacity, 14 with temperament, and 15 with vocational interest patterns.

In a sample profile distributed to his audience, Mr. Merritt pointed out factors that would almost certainly doom the man to failure in selling life insurance, despite many other apparently favorable traits. This candidate had high vocabulary and social intelligence, also highly developed literary interests. But he ranked far down the scale in sales sense, in self-sufficiency, self-confidence and, though high in sociability, he was low in social dominance, social boldness, meaning low persuasiveness in face-to-face situations. He was low in emotional stability, indicating that he couldn't face up to turn-

downs, interview obstacles, and the like.

This man's vocational interest pattern showed he was more at home with marginal industrial workers than with people better able to afford life insurance. He was only in the 30th percentile for specific life insurance sales aptitude indicating he shies away from vigorous, face-to-face selling routines.

A highly important factor in a man's success potential, said Mr. Merritt, is his capacity for "personal adjustment." Some men are able to move from one life into a vastly different one, such as selling life insurance, simply by "shifting gears"; others have an innate resistance to such adjustments and make them only with the greatest difficulty or not at all.

"In this connection it must be remembered," Mr. Merritt observed, "that great adjustment is involved also for the man's family. Sometimes he can adjust but his family cannot, and this introduces another failure factor."

Financial Vice-president Milford A. Vieser said the major economic problem today is inflation, "the persistent erosion of our people's savings, which threatens to destroy the very incentive to save." He lauded the Federal Reserve Board's action in curbing the inflationary expansion of credit. He said credit is still available to worthy borrowers at rates that are low in comparison to the rest of the world and past periods. He said Mutual Benefit's net interest rate before income taxes during 1956 was 3.72%, up 14 basis points.

Mutual Benefit's aviation death claims nearly equaled those due to automobile accidents, Vice-president William F. Ward reported. Aviation caused \$500,000 in 1956 claims as

against \$600,000 for automobile accidents. More than half of the aviation total involved cases in which the company had no idea at time of issue that the applicant would become a pilot of a private plane. Only about one-third of the aviation losses were due to commercial aviation. Mr. Ward said that although the 1956 aviation losses were distorted by one large claim, the amounts are still impressive even without that case.

Mutual Benefit declined only about 3% of applicants in 1956, nearly all because of severe physical impairments.

John J. Magovern Jr., vice-president and counsel, who is chairman of the joint American Life Convention-Life Insurance Assn. of America committee that is dealing with several matters of federal tax legislation, said he sees no chance for passage at this time of the Jenkins-Keogh type of legislation that would exclude from taxable income payments made to individual retirement plans by persons not now under social security.

He also expressed the opinion that Treasury proposals to restore the premium-payment test for includibility of life insurance proceeds for estate tax purposes and to disallow income tax credit on money borrowed to buy life insurance on the bank-loan plan would not be adopted. He said there are indications that compromises may be offered on both.

"I am not here to take sides or speak on the attributes or deficiencies of so-called bank-loan business," Mr. Magovern said. "However, I have been and still am opposed to the use of the power of taxation *per se* to correct or regulate the operations of a business."

"We have seen too many instances where the power to tax has not been used for revenue but as a use of police

Mutual Benefit Awards Agency Trophies

Laurence W. McDougall of Cleveland received Mutual Benefit Life's top agency award, the president's trophy, at the annual general agents' meeting at Boca Raton, Fla., from President H. Bruce Palmer.

The trophy, presented to the general agent adjudged to have had during the previous year the best all-round agency, is based on quality and amount of new business, success in recruiting and training new men, and maintaining production among established agents.

Runners-up for the president's trophy were William T. Earls, Cincinnati, and Raleigh R. Stotz, Grand Rapids.

The new organization award for recruiting and developing new men went to two agencies sharing first-place

honors—Mr. Earls and Paul L. Guilboard, Newark. August C. Hansch, Dallas, and Hollis L. Woods, Hartford, shared runner-up honors.

Quality business was recognized in the presentation of the Jones and the mathematician's awards. The former went to Herschell Emery, Nashville, with Gilbert F. Dittmer, Toledo, runner-up. The latter award was won by Edgard D. Carlough, Albany. Mr. Dittmer and James M. Johnson, New Orleans, shared second-place honors. Both awards were presented by Mathematician Paul T. Rotter.

Vice-president Heitzeberg presented to Mr. Carlough the award for the best agency bulletin.

M. James Houlihan, Saginaw, Mich., retiring president of the general agents' association, was toastmaster at the banquet, where the awards were presented.

Seven agencies were singled out for recognition for their outstanding performance during the company's October, 1956, sales campaign, "the duel."

The Otto agency in Detroit, the Zackary agency in Wichita and the Dittmer agency in Toledo won the awards offered by Chairman W. Paul Stillman for quality business written during "the duel."

Awards were presented to the agencies that submitted the highest percentage of business over their quota during the campaign: in group 1, Alfred J. Lewallen, Miami; in group 2, Robert R. Tebow, Birmingham; and in group 3, Norman E. Andersen, Chicago.

The Earls agency in Cincinnati received an award for submitting the highest volume of business during the sales campaign.



Laurence McDougall, left, general agent at Cleveland, is the winner of the Mutual Benefit Life's 1956 President's Trophy. He is shown with Mrs. McDougall and H. Bruce Palmer, Mutual Benefit president.

power for business or social reform. I consider that to be unsound. Hence, when considering the subject of 'bank-loan' business we should not let any belief we may have as to its supervision or control beguile us into inappropriate tax legislation."

Another difficulty to be overcome before the problem can be adequately attacked, said Mr. Magovern, is the misconception that a life insurance policy is similar to a tax-exempt security.

"This statement is inaccurate," he declared. "To check this inaccuracy, all one need do is look at the sections of the code which provide for the taxation of annuities or the proceeds of life insurance which mature or are realized on other than by the death of the insured."

Reporting on the long-range permanent and organized program of expense reduction and control begun three years ago, James P. Moore Jr., vice-president and comptroller, said the plan developed consisted of budgetary control, work measurement, methods and work simplification, and cost analysis and functional costs. Savings were derived from more than 150 items or activities and have been substantial. Expense reduction and control in a life company, said Mr. Moore, is basically a problem of organization.

Mutual Benefit's new district agency development plan, described by Jack R. deWard, director of agency finance, will be limited during 1957 to about 10 district agency operations. After experience has been gained, it will be extended on a broader scale.

The new program is aimed at assisting general agents in setting up district agencies in good-sized population areas near the general agency city. Such factors as increasing population and the physical shifting of the nation's industry and economy have created large markets for life insurance in this type of area.

For the man given the post of district supervisor the plan gives a successful agent who desires management experience a chance to increase his income and demonstrate his ability in selection, recruiting, training, joint work, and supervision, Mr. deWard said. It will also provide the advantages of a better organization geared to exploit the market possibilities.

The new public relations manual is a book with 40 letter-size pages, loose-leaf to permit material to be removed for study, reference, or discussion and to allow addition of other pages as they are issued by the public relations department. The manual explains what constitutes news likely to be used by a local paper, how to prepare news releases, use of pictures; timing, coverages and deadline; how to deal with editors, arranging interviews and press conferences; speaking before groups; radio and television publicity; space in publications other than newspapers; use of advertising; publicity for appointments of general agent and agents; agents' anniversaries, and how to get the most public relations value from a visit by the company's president.

Service to policyholders "pays off in a big way," said Agency Vice-president Heitzeberg in his address that concluded the conference.

"The life insurance man who sells properly and services properly doesn't have the kind of competition that keeps him awake at night," he declared. "He really is engaged in marketing a genuine service that is valued

far more than the latest new price tag."

Mr. Heitzeberg gave some figures showing how a group of 10 highly successful Mutual Benefit agents make policyholder service pay. These 10 agents paid for a total of \$11,597,000 of business in 1956, of which \$5,461,000 was written on their old policyholders. Thus, 47% of their production came as a result of servicing their present clientele.

He cited another example, using a group of 10 million-dollar producers, all located in one state, who sell on a service basis. They sell four out of five cases they present, their closing ratio is one out of 1.2, and their average case exceeds \$25,000.

"There are no gimmicks, there are no home office aids, there is nothing in and of itself that will give an agent the success we want him to have," said Mr. Heitzeberg. "There are many things we can do to help him, but those things together make a powerful, but incomplete, mosaic."

"The missing piece, and the one that only dedication and proper training can supply is unselfish, conscientious policyholder service."

"It will be our purpose, in addition to all other 1957 purposes, to help you reinforce the sharpest competitive tool of all: high-level, qualified, capable service to your policyholders. We believe this to be the true heart of the matter."

Mr. Heitzeberg congratulated the agency force on establishing many new production records during 1956. He also cited the establishment during the past year of six new agencies and the reaching of a record number of full-time agents.

Mr. Heitzeberg predicted another banner year for 1957, saying that an analysis of the general agents' plan books for 1957 indicates that the company will set new records this year.

Form Group Million Dollar Club

General American Life, a pioneer in the group business, has formed a Group Life Million Dollar Club. The company in 1956 had group sales of \$201,082,097, which brought group life insurance in force to a total of \$1,629,372,447.

DEATHS

OSCAR W. JOHNSON, 73, retired president of the former Security Life of Chicago, died at West Palm Beach. The company was reinsured by Central Life of Chicago (now Central Standard) in 1932.



Shown, left to right, are Thomas C. Walsh Jr., manager of Prudential and treasurer of the association; Harold J. O'Toole, "man of the year" in the Voss agency; Mr. Voss; William J. Bird, managing director of Boston Chamber of Commerce, the guest speaker; and Henry M. Faser Jr., general agent of Penn Mutual and chairman of the dinner committee.

Questions New Okla. Non-Can A&S Ruling Allowing Some Changes

The recent Oklahoma non-cancellable A&S ruling was questioned by James L. Moorfield, assistant counsel of Paul Revere Life and Massachusetts Protective, in an appearance before Massachusetts legislative insurance study commission at its meeting in Boston. The commission was directed by the Massachusetts legislature to study a number of insurance problems, including cancellation of A&S policies.

Mr. Moorfield said the ruling would permit a change in coverage provisions and re-underwriting merely on other than an individual basis. It thus does not appear limited to changes on a class basis, and would seem to permit changes on two or more policies or on a family basis. He said such changes could be in the risk or in the benefits, as well as in the premiums. This would mean that specific conditions, as cancer, tuberculosis, heart ailments or atomic poisoning could be riders out on other than an individual basis. Similarly, the benefits could be cut 10% or 70 or some other percent. A policy with these permissible limitation and providing also for a change in premium, benefit and risk would leave only the shell of a non-cancellable policy and should not be called non-cancellable or guaranteed renewable, he added.

The principal clause of the Oklahoma ruling issued over the signature of Horace G. Rhodes, assistant commissioner is as follows: "Non-cancellable accident and health policies are deemed to be those policies which cannot be cancelled by the insurer and which are guaranteed renewable to at least age 55 or for at least five years if issued at ages in excess of 49, and in which the insurer is precluded from changing coverage provisions or otherwise reunderwriting on an individual basis after the effective dates of such policies and while they are in force."

Mr. Moorfield suggested to the commission that it await the completion of the study of non-cancellable definitions by the subcommittee of the A&S of National Assn. of Insurance Commissioners. The chairman of this subcommittee is Director Pansing of Nebraska.

Mr. Moorfield pointed out that the ruling completely reversed a previous ruling issued a few months ago that had outlawed entirely the writing of the adjustable premium policy. Now Oklahoma graces a weaker form of that policy which it had said was "inequitable to the policyholders and are ripe for misrepresentation in the mar-



Three-year-old DeEtte Root received Occidental Life of California's first electronic policy (a \$2,000 endowment-at-18 plan for her education) from President Horace W. Brower, left, and vice-president William B. Stannard. New policy form, which is a result of two years of study, will enable the company to eliminate all of the hand-typewritten data, substituting electronic printing equipment capable of producing more than 600 words per minute.

keting thereof" with the title of non-cancellable, he added.

He referred to Massachusetts as the cradle of policyholder disability security, especially in the field of non-can. He expressed confidence in the Massachusetts department as lending encouragement to A&S of all kinds—cancellable, non-cancellable, and modified forms of each—and as doing so in the public interest. A non-can policy should guarantee the premium, the benefits, the risk covered and the continuable rights, Mr. Moorfield stated.

IAAHU Names C. E. Rea, Emerson Davis to Board

Charles E. Rea, American Life & Casualty, Toronto, and Emerson Davis, Inter-Ocean, Dallas, have been appointed to the board of International Assn. of A&H Underwriters. Mr. Rea, a member of the Canadian Parliament and former board member of HIAA, will be zone chairman of eastern and central Canada. Mr. Davis replaces John Delaney, American General of Houston, who resigned. Mr. Davis will be zone chairman of Texas, Oklahoma, Arkansas and Louisiana.

STOCKS

By H. W. Cornelius Bacon, Whipple & Co. 135 S. LaSalle St., Chicago, March 15, 1957

	Previous	Current
Week's Bid	Bid	Asked
Aetna Life	176	177 180
Beneficial Standard	17 1/2	17 1/2 18 1/2
Cal-Western States	83	83 87
Colonial Life	89	90 94
Columbian National	81 1/2	86 1/2 88 1/2
Commonwealth Life	19 1/2	20 21
Connecticut General	256	255 260
Continental Assurance	115	113 115
Franklin Life	93	93 95
Great Southern Life	77	78 Bid
Gulf Life	27	26 1/2 27 1/2
Jefferson Standard	88	88 1/2 90
Kansas City Life	1065	1110 1130
Life & Casualty	20 1/2	20 1/2 21 1/2
Life Insurance Investors	14 1/2	14 14 1/2
Life of Virginia	96 1/2	98 102
Lincoln National	208	205 210
National L. & A.	84	84 1/2 86 1/2
North American, Ill.	18	18 19 1/2
N. W. National Life	88	88 92
Ohio State Life	273	272 280
Old Line Life	57	57 60
Republic Natl. Life	38 1/2	—
Southland Life	81	83 87
Southwestern Life	90	93 98
Travelers	73	75 1/2 76 1/2
United, Ill.	22	22 23
U. S. Life	26 1/2	27 28
West Coast Life	45 1/2	46 48
Wisconsin National	54	54 58

Praises NW Mutual in U. S. Senate Remarks

Sen. Wiley of Wisconsin in the U. S. Senate on March 5 paid tribute to Northwestern Mutual Life on its centennial celebration and had his remarks extended to the *Congressional Record* of March 7. He also included in the *Record* several recent articles and an editorial from the *Milwaukee Journal* which traced the history and development of Northwestern Mutual and cited some of its civic activities. "The statistics of Northwestern's growth are awe-inspiring," Mr. Wiley said. "It is the 14th largest business enterprise in the United States in assets; it is the sixth among life insurance companies; and it is the largest west of the Atlantic Seaboard. . . .

"But these breathtaking statistics do not begin to convey the human story of what Northwestern Mutual has meant to its policyholders. It is an insurance company with a heart. It is also an insurance company with a sound head. It has been conservative in its policies, and yet, it has been pioneering in its new effort."

Brooks Tells How He Made \$2 Million on ICT

(CONTINUED FROM PAGE 1)

also said that he has bought back 6,800 shares of the life company's stock and that in all of the deals he had realized a profit of about \$2 million.

President Cage also testified that after he took office about 13 months ago a partial audit was made showing that BenJack Cage, his cousin and former president, owed ICT at least \$302,000. He also said that a document was revealed that purported to show that officials of the company had "forgiven" the former president some \$965,000.

In addition President Cage, in answering a question as to when he first knew the ICT was insolvent, said: "When the board (of insurance commissioners) informed me Jan. 29, 1957."

Mr. Cage is scheduled to resume his testimony before the committee this week.

Safford, Williams to Top Posts of Western & Southern

(CONTINUED FROM PAGE 1)

sorbing Pennsylvania Mutual in 1954, acquiring ownership of Life of Missouri last year and entering 15 additional states.

Dr. C. M. Barrett, medical director since 1951 and a director of the company since 1954, was elected vice-president.

The new building will be directly north of the present Fourth street main office building, running from Broadway to McAllister street. It will connect with the annex building on McAllister street by a four-level bridge.

To Form Life Company in W. Va.

West Virginia Insurance Management Corp. has been formed at Huntington, and it will form and operate a new life insurer, according to Vincent J. Probslo, president. Mr. Probslo, formerly of Denver, has been in insurance 30 years, beginning in 1927 with Mutual of New York. He is past president of Kansas Assn. of Life Underwriters and Colorado A&H Assn. He is a director of International Assn. of A&H Underwriters.

Part of A&S Program of LIAMA Is Ready

The keynote of LIAMA's A&S conference April 15-17 at the Edgewater Beach hotel in Chicago is the responsibility and challenge confronting top management when the company offers both A&S and life. S. E. McCresley, president of American Hospital & Life, opening speaker, will treat this topic.

John P. Meehan, Boston manager of Mutual of New York, will discuss the value of being able to offer a recruit A&S, as respects the recruit's income, financing, and long-run success.

Stuart C. Ferris and Kenneth L. Hobbs, LIAMA staff representatives, will enact how to present the career in a company selling both life and A&S.

William B. Stannard, vice-president of Occidental Life, and president of LIAMA, will bring greetings.

An evening session will feature a forum on trends in new A&S coverages with W. G. Alpaugh Jr., president of Inter-Ocean, as moderator. Participants will be Wilbur W. Hartshorn, superintendent of agencies of Metropolitan Life; H. Stanley Marmaduke, assistant vice-president of Atlantic Life; and Jack E. Rawles, 2nd vice-president of Lincoln National. They will consider recently developed "paid-up" A&S policies, the new overhead expense policies, and deductibles in major medical and hospital.

North American L. & C. Revises Income Disability

North American Life & Casualty has revised its monthly income disability provisions to provide coverage prior to age 60, rather than to age 55, and to pay monthly income as of fourth month of disability. In general, rates for this provision have been reduced.

Northern Cal. Sales Caravan Goes on Tour

The northern California sales caravan has embarked on its 1957 tour and will appear in 14 communities by April 10. On the latter date the caravan will visit Eureka for a dinner meeting of the newly organized Humboldt county association. Caravan speakers are Jack Hanley, Equitable Society, Oakland; Gene Kronberg, Occidental Life, San Francisco; Brice E. Fulghum, Pacific Mutual San Francisco; Howard A. Malin, Fidelity Mutual Life, Oakland; Robert C. Maltby, New York Life, Oakland, and Roger H. Wood, New York Life, San Francisco. Speakers are assigned so that at no time are they all on the same trip. In the past the entire group traveled the whole itinerary. The speakers who will be present for the San Francisco meetings of the caravan on March 21 are Mr. Maltby and Mr. Hanley. In addition to San Francisco, other cities being visited include Oakland, Stockton, Sacramento, Chico, San Jose, Santa Rosa, Fresno, Visalia, Modesto, Monterey, and several other towns on the San Francisco peninsula.

Group Life Sales Total \$12 Billion in 1956

Group life sales in the U. S. in 1956 were \$12,479,000,000, up \$3,146,000,000 according to Institute of Life Insurance. This does not include \$5 billion added to existing groups, which brought the amount in force to \$119 billion, up \$18 billion. Death benefits amounted to \$625 million, up \$75 million.

Group contracts totaling 100,000 and covering 36 million individual certificates were in force.

Figures do not include group credit life or group life on federal employees.

Ind. Prepares for 1st Life Insurance Week

The first state-wide observance of Life Insurance Week in Indiana will be held March 31-April 6 with local associations throughout Indiana participating. A number of varied activities and projects will be carried out during the week with newspaper, radio and television publicity geared to a maximum public relations benefit. Activities planned for schools and colleges will widen the age bracket of the life insurance week "audience," thus enabling agents to present the story of life insurance and its benefits not only to the buying public but also to prospective buyers.

Gov. Handley has issued a special proclamation heralding the week and the results of an interview with newly-appointed Commissioner Palmer will appear in newspapers throughout the state.

Ralph A. Stewart, Muncie, general agent for Ohio State Life, is state chairman of Insurance Week. He said, "The Life Underwriters Assn. is making this effort to bring to each local community in an understandable way the real story of the great significance that life insurance industry has in our way of life today and the important role it plays in the preservation of the free enterprise system."

N. C. Would Permit A&S Insurers to File Blanket Bonds for Agents

Among measures backed by the North Carolina department and assigned to insurance committees is one to permit companies writing A&S to file a blanket bond for their agents instead of individual bonds for each. A 1955 act requires a \$500 bond for each agent a sa guarantee against misrepresentation of a policy.

Figures from Life Companies' Year-End Statements Shown

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1956	Ins. in Force Dec. 31, 1956	Increase in Ins. in Force	Prem. Income 1956	Benefits Paid 1956	Total Disburs. 1956
Alliance Nationale	24,100,442	2,682,552	7,120,399	29,247,277	186,702,688	27,343,555	3,284,350	1,481,121	2,978,473
American Hospital & Life	8,266,303	834,958	2,033,946	28,892,641	114,205,225	6,114,346	5,162,566	3,608,619	6,177,183
American Life	20,524,659	8,401,510	2,131,378	154,085,572	185,385,806	41,223,369	5,480,935	2,521,155	6,066,492
Atlas Life	23,251,592	1,845,684	1,496,979	17,899,695	271,519,719	34,093,101	5,366,309	3,058,753	4,359,587
Bankers Nat. Life, N. J.	62,487,098	5,460,293	5,605,667	109,128,266	397,663,298	80,966,786	10,019,015	4,436,512	8,019,712
Beneficial Life	78,829,083	5,887,595	8,185,978	49,006,208	366,708,163	22,723,529	10,068,394	4,586,020	6,458,321
Boston Mut. Life	57,008,924	2,998,807	4,190,681	118,616,773	334,297,517	89,929,765	9,818,877	4,340,451	15,436,878
Cal.-Western States*	103,762,204	11,326,736	23,714,499	167,351,183	1,462,062,807	134,625,110	41,767,271	26,586,030	47,251,283
Cavalier Life group	5,839,046	1,357,374	3,972,913	382,057,864	274,792,429	187,635,578	2,602,307	1,851,587	1,902,119
Central National Life, Neb.	4,577,399	905,012	1,057,296	57,929,192	162,741,436	24,008,924	2,723,566	771,718	2,387,617
Colonial Life	72,569,525	5,168,192	4,436,104	62,431,109	426,710,702	32,940,529	12,225,958	4,479,546	9,873,003
Columbian National Life	118,793,039	2,929,670	15,099,362	38,904,344	532,053,283	8,819,056	12,830,509	8,849,559	13,848,664
Companion Life	5,009,257	849,775	1,490,778	34,265,160 ¹	140,576,971	27,519,959	2,352,531	1,015,229	1,635,935
Connecticut Mutual Life	1,261,397,942	72,744,686	93,951,688	430,110,522	3,397,600,780	274,255,095	114,211,187	71,352,939	119,245,240
Country Life	132,348,888	13,954,411	13,214,677	81,856,162	721,069,976	42,020,313	17,006,142	5,673,916	9,299,752
Crown Life	232,337,881	12,489,310	16,708,329	283,623,748	1,638,301,958	193,449,530	41,755,512	20,080,515	50,986,067
Empire Life	29,267,922	1,835,229	3,079,205	32,079,765	185,807,869	21,605,134	4,389,333	1,678,204	2,358,225
Federal Life & Cas.	10,974,319	1,608,829	2,149,663	81,975,529	274,433,176	100,333,848	8,458,664	3,596,327	7,938,225
Fidelity Mutual Life	321,871,185	13,059,157	14,492,480	115,947,163	1,004,797,964	74,856,148	28,540,784	18,606,303	31,494,065
General American Life	233,969,705	9,654,921	10,550,191 ¹	313,476,997	2,276,943,147	219,522,133	50,680,375 ²	40,624,218 ³	51,308,849 ⁴
Life of Virginia	400,116,322	26,042,485	38,476,199	192,029,175	2,090,371,893	136,074,840	58,706,701	25,196,021	45,197,550
Lincoln National Life	1,204,602,448	76,189,966	125,327,823	1,243,984,229	8,025,510,652	593,457,646	167,667,592	102,949,674	149,782,561
Manufacturers Life	717,410,936	64,630,844	50,784,016 ¹	396,328,723 ²	2,422,973,905 ³	250,340,375 ⁴	92,623,882	42,985,949	72,617,561
Minnesota Mutual Life	216,544,253	15,729,371	13,235,764	269,392,997 ⁵	1,655,576,024	161,756,482	30,681,210	16,523,185	26,771,647
Modern Woodmen	199,562,937	4,634,092	24,837,697	66,891,683	592,329,214	14,788,913	14,981,320	18,301,257	23,882,162
Monarch Life Assur.	57,740,876	3,735,570	6,154,893	53,571,750	314,431,228	31,373,652	6,270,809	2,994,463	5,267,886
Montreal Life	33,044,013	2,827,465	3,043,419	33,750,935	179,461,321	17,392,882	3,898,364	1,721,405	5,227,410
Mutual Benefit Life	1,680,335,444	52,411,960	65,185,328	391,707,456	3,943,021,276	209,539,802	138,317,336 ⁶	104,119,267	170,507,285
Mutual Life of New York*	2,520,909,307	45,427,388	217,989,177	655,661,364	5,743,411,238	383,987,983	172,348,330	154,364,556	230,570,128
National Guardian Life	46,940,478	3,679,017	6,630,895	27,773,274	203,317,738	16,449,298	5,485,021	2,120,081	51,187,578
National Life & Accident	637,501,940	57,538,151	80,682,618	965,093,765	4,604,113,837	347,171,294	127,857,603	38,241,213	91,115,587
National Old Line	21,449,564	4,322,660	2,913,619	82,173,511	283,348,237	63,034,918	6,890,366	612,874	2,922,559
National Life, Canada	36,808,421	3,264,359	2,173,431	48,948,102	235,434,311	33,921,829	5,186,446	2,135,973	4,461,143
Nationwide Life	96,107,475	14,216,260	9,544,130	267,145,530 ⁷	1,007,247,685	156,262,318	20,927,563	6,167,755	12,083,058
North American Re	50,176,544	3,631,324	10,911,369	213,001,477 ⁸	823,825,217 ⁹	92,470,434	10,009,641	4,756,194	7,952,703
Northwestern Life	5,895,322	552,139	685,788	10,094,613	62,149,789	10,375,453	2,009,854	660,427	1,583,442
Occidental Life, N.C.	33,077,595	2,668,411	3,715,012	42,084,502	165,532,845	12,679,900	4,581,370	3,691,978	5,311,476
Presbyterian Minister's Fund	66,678,616	2,776,052	3,648,612	16,551,085 ⁵	165,532,845	12,679,900	4,581,370	3,691,978	5,311,476
Quaker City Life	15,567,888	2,855,952	3,364,191	158,139,850	217,921,510	27,498,753	10,066,674	1,418,825	9,477,158
Rio Grande National Life	14,829,261	1,774,110	1,058,705	17,266,762	163,653,804	17,707,278	6,767,787	2,109,793	5,773,251
Shenandoah Life	47,065,055	3,337,623	3,778,223	36,229,236	514,495,818	23,969,091	10,648,555	7,646,577	10,366,313
State Farm Life*	123,968,850	17,455,074	16,380,110	215,817,162	1,089,435,239	129,429,479	26,984,561	6,260,813	16,005,439
Sun Life of America	89,081,264	6,579,538	7,341,724	89,266,056	468,291,040	39,459,146	13,083,488	3,598,055	9,460,265
Teachers Ins. & Annuity Assn.	493,986,334	35,376,007	16,594,099	53,871,280	264,466,810	39,717,593	35,370,668	17,715,573	21,372,038
Travelers	2,823,734,516	124,540,259	331,941,785	1,710,032,183	18,717,700,334	1,714,781,152	237,152,269	180,349,848	249,722,076
United Ins. Co. of America	66,284,768	8,250,175	10,061,464	244,789,788	517,513,257	37,021,201	58,153,938	17,239,814	52,237,855
U. S. Life	86,860,793	9,103,796	9,393,669	164,631,986	993,145,301	166,750,833	27,134,718	16,542,174	24,678,044
Woodmen of the World	207,005,787	5,125,795	36,732,000	70,186,490	596,280,361	8,019,618	16,151,773	15,586,288	21,947,265

The new business figures exclude revivals and increases except as follows: *\$23,689,949; \$231,618,728; \$4,988,136; \$60,972,651; \$6,190,150; \$8,923.

¹ Does not include special group mass hazard, mortality fluctuation and future asset loss reserves of \$15,336,136, which many companies carry as surplus items.

² Experience rating refunds of \$3,659,453 were deducted from "premium income" and not included in "total paid to policyholders."

³ Includes also balance of shareholders fund amounting to \$2,000,666.

⁴ Includes amount of temporary additions to sums insured not included in previous years.

⁵ Group policies in connection with company's 1947 retirement plans.

⁶ Reinsurance only.

⁷ Amended statements.

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4,359,587
8,019,712
6,458,321
15,438,870
47,251,283
1,902,110
2,287,817
9,873,063
13,948,884
1,635,925
19,245,240
9,299,752
50,986,667

7,938,225
31,484,065
11,309,849
45,197,830
49,782,281
72,617,561
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51,187,570
91,115,657
2,922,559
4,461,143
12,083,058
7,952,703
1,583,442
5,311,476
5,311,476
9,477,168
5,773,351
10,288,313
16,005,439
9,460,265
21,372,038
19,722,076
52,237,855
24,678,044
21,947,265

*\$8,923.
es carry

PERFECT PROSPECT

for AETNA LIFE'S BUSINESS INSURANCE PLAN

He's Roger Clark . . . age 40 . . . devoted family man . . . senior partner in the successful firm of Clark & Miller . . . prospects for future appear exceptionally bright . . . BUT . . .

Death to either member of the partnership could mean financial chaos for the business . . . and for his family. Like most men, he has not yet made plans for the future of his business when death strikes — and death, by law, dissolves the partnership. Mr. Clark is a perfect prospect for Aetna Life's Business Insurance Plan.

You, Mr. General Insurance Man, undoubtedly know many men like Mr. Clark. Why not check your files . . . and call your nearest Aetna Life General Agency. They stand ready and able — with their broad experience and skill — to demonstrate the value of Aetna Life's Business Insurance Plan. Your clients will benefit from it — and appreciate the EXTRA SERVICE. More often than not, it will develop substantial commissions for you.

AETNA LIFE
INSURANCE COMPANY

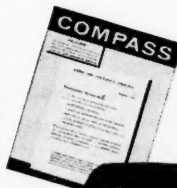


Affiliates: Aetna Casualty and Surety Company
Standard Fire Insurance Company

HARTFORD, CONNECTICUT

SERVICE TO GENERAL INSURANCE MEN

"Compass" is a monthly Aetna Life service publication written especially for general insurance men and brokers. It points out unusual opportunities for building commissions and for cementing client relationships. To receive your copy regularly write: "Compass," Aetna Life Insurance Company, Hartford 15, Conn.





Southern Skyline...1957

FINANCIAL STATEMENT AS OF DEC. 31, 1956

<i>Assets</i>	PER CENT	AMOUNT
U. S. Government Securities	7.12	\$ 9,984,368.29
State, County and Municipal Bonds	10.73	15,049,323.54
Railroads	1.13	1,588,694.90
Public Utilities	16.20	22,722,159.33
Industrial and Miscellaneous	4.33	6,069,756.73
Stocks	3.54	4,957,556.74
Mortgages (First Liens)	46.09	64,645,051.07
Real Estate:		
Offices (including Branches)	3.56	4,990,063.55
Investment	1.65	2,316,512.89
Policy Loans	1.36	1,913,062.25
Cash	1.75	2,457,782.26
Interest and Rents Due and Accrued51	714,781.81
Premiums in Course of Collection (Net)	2.01	2,815,726.35
Miscellaneous Assets02	26,235.08
Total Assets	100.00	\$140,251,074.79
<i>Liabilities and Surplus</i>		
Policy Reserves		\$109,320,190.43
Claims in Process of Settlement		472,114.80
Reserve for Unreported Claims		353,604.15
Premiums and Interest Paid in Advance		985,498.74
Estimated Amount Due and Accrued for Taxes		1,317,631.68
Reserve for Pensions		8,414,730.00
Amounts held as Agent or Trustee		938,862.49
Security Valuation Reserve		1,010,463.25
All other Liabilities		712,374.66
Total Liabilities Except Capital		\$123,525,470.20
Capital and Surplus Funds for further protection of Policyholders:		
Capital		\$ 7,000,000.00
Unassigned Surplus Funds		9,725,604.59
Capital and Surplus		\$ 16,725,604.59
Total		\$140,251,074.79

Throughout the South, growth is the keynote. Indicative of this continuing progress are the rising skylines of bustling cities—centers of service to the prospering agriculture and industry of a South on the move. To keep pace with the life insurance needs of this rapidly growing area, Life of Georgia is constantly expanding the scope of its insurance plans and of its service to policyholders.

HIGHLIGHTS

*From Annual Statement as of
December 31, 1956*

LIFE INSURANCE IN FORCE	\$1,353,950,781
Gain of \$111,430,826 in one year	
ASSETS	\$ 140,251,075
Increase of \$15,101,172 over 1955	
PAID POLICYHOLDERS AND BENEFICIARIES	\$ 14,211,624
LIABILITIES	\$ 123,525,470
Liabilities include policy reserves	
SURPLUS FUNDS AND CAPITAL	\$ 16,725,605

